

The NATIONAL UNDERWRITER

HELP KEEP THEM ALIVE

About 2,300 school children are being killed each year in traffic accidents and some 115,000 injured. Surely this is a terrific toll of dead and maimed among those who are just beginning life.

Many agencies are engaged in an impressive effort to reduce this needless loss—federal, state and municipal bodies as well as civic organizations.

Insurance Agents and Brokers throughout the country will be in the forefront of this drive for the safety of our children as they return to school this month. Have you taken advan-



tage of the opportunity to be a leader in another good cause?

And remember—drive carefully *yourself*, and ask everyone in your organization to do so, too. The lives of many youngsters are at stake—let's help keep them alive.

AMERICAN  *ASSOCIATED*
INSURANCE COMPANIES

AMERICAN AUTOMOBILE INSURANCE COMPANY
AMERICAN AUTOMOBILE FIRE INSURANCE COMPANY
SAINT LOUIS

ASSOCIATED INDEMNITY CORPORATION
ASSOCIATED FIRE & MARINE INSURANCE COMPANY
SAN FRANCISCO

THURSDAY, SEPTEMBER 4, 1947



TO AGENTS & BROKERS

This advertisement also appears where your most important clients will see it... in *Time*, the weekly news magazine—*Newsweek*—and the *United States News*—Aetna Insurance Group, W. Ross McCain, President.

Watch out! *You may find yourself in deep water*

Furthermore, you can get in deep water even when you are on dry land. Take the case of Mr. B.

Shortly before the war he bought a house for \$14,000. By 1946 he realized that it was worth considerably more than he had paid for it. But somehow it did not occur to him to increase his fire insurance correspondingly. Then came the fire . . . and Mr. B. . . discovered that his insurance covered only *part* of the loss. He had to shoulder the balance himself.

Now take your own case. Is your present fire insurance sufficient to give

you *full* protection? If you are in doubt, why not fill out the accompanying memo . . . then get in touch with your local insurance agent or broker.

You can depend on agents who represent the Aetna Insurance Group (see list of companies below) to give you prompt, efficient advice and service. Remember, too, that when your insurance is with a capital stock company such as those comprising the Aetna Insurance Group, your policy is backed by *both* a paid-in-capital and surplus. You are never liable for assessment.

Fill Out This Memo Today

Mail it to your local insurance agent—or telephone him.

I estimate the present value of my house (or business property) at \$ How much additional fire insurance should I have for full coverage?

I estimate the present value of my household effects at \$ How much additional insurance should I have for full coverage?

I would like my fire insurance policies to cover damage by windstorm, explosion, falling airplanes, and other risks.

I would like to pay my premiums on a 3-year basis. (This reduces premium cost 16½%)

Your Name

Street

City State

DON'T GUESS ABOUT INSURANCE—CONSULT YOUR LOCAL AGENT OR BROKER

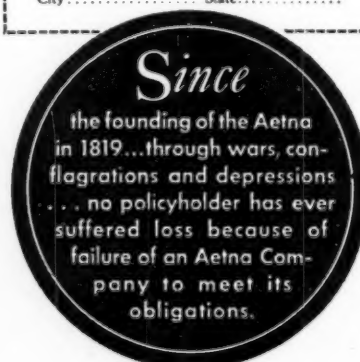
Aetna Insurance Group



HARTFORD, CONNECTICUT

AETNA INSURANCE CO.
THE CENTURY INDEMNITY COMPANY
STANDARD INSURANCE CO. OF N. Y.

THE WORLD FIRE & MARINE INSURANCE CO.
PIEDMONT FIRE INSURANCE COMPANY
STANDARD SURETY & CASUALTY CO. OF N. Y.



Commission Question Coming Strongly to Fore

Excess Arrangements Being Terminated—Deeper Cuts Are Being Weighed

One of the by-products of the premium overload of the day is the elimination of a good many excess commission accounts throughout the country. This movement seems to be gaining impetus and there is probably no company that has such arrangements outstanding that is not giving consideration to their termination.

It seems to be a case pretty largely of follow the leader. Even though loss of premiums is nothing to be feared and indeed is something to be desired these days by most companies, there were few insurers that wanted to take the lead in eliminating excess commission payments. They felt that while such a move would not cost them anything immediately, the classification of business received from agents that were trimmed down might suffer and also that such agents might keep a "Lest We Forget" file that would prove embarrassing in days to come.

However, one company after another has overcome such timidity and gotten its commissions down to the orthodox level. This has been done at a time when other companies were withdrawing from agencies and engaging in more restrictive underwriting and hence by contrast the elimination of excess commissions to an agent has been by far the lesser of two evils. Then as other companies with excess commission accounts outstanding have learned of what their competitors have done, they have been emboldened to take the step and it is certain that a number of additional programs of this nature are in the making.

Many Agents Are Resigned

Usually it is said, the agent when approached appears resigned to the inevitability of such a step and the changes are made without disturbance of immediate relationships at any rate. The companies thereafter, however, watch closely the classification of business from such offices.

It is somewhat ironic that these excess commission arrangements are going out the window at this time when the teeth of company organizations have been pulled so far as police enforcement of scales is concerned. In other words, what the organizations were unable to accomplish by police power in previous days is now being brought about by force of economic circumstances by companies acting individually.

Whether excess commission agreements will again creep into the business when emphasis returns to production remains to be seen. However, some observers believe that there is less likelihood of this happening under conditions of rate regulation than in the past. Although the matter of regulation of rates of commission by state authorities is a tender field nevertheless it is regarded as inevitable that in the administration of rate regulatory laws the matter of acquisition cost simply cannot be ignored and that commissioners here and there are likely to point to high commission centers when rate increase applications are filed. Hence, it may be that in the future companies will think

Fire Prevention Poster Hits Heart

This is a photo of the 1947 Fire Prevention Week poster. The poster is lithographed in four colors, 16½ by 20 inches and is available to local agents, associations and companies. Victor Livoti, the artist, is a New Yorker studying at the National Academy of Design and winner of the National Academy - National Board Fire Prevention Week poster contest for 1947.



twice before paying excess commissions.

A number of companies have deliberately followed the policy of paying excess commissions as a means of getting a volume of preferred business. However, it is found that some of these arrangements have not worked out that way. As time has gone on the agent has come to think of the higher commission as simply a means of getting volume and has developed a lot of business from subagents and brokers by paying them excess and the classification of his business has deteriorated.

Some Volunteer to Take Cut

Here and there it is reported, important agencies have approached their companies and voluntarily offered to accept reduced commissions. Most of these, it is understood have been a surrender of excess allowances. The motive seems to have been to win greater capacity for the agency and it certainly had the effect of putting such agencies in more solid than ever with their company connections.

Altogether the commission question is one that is absorbing company deliberations and it is something that is haunting a great many of the local agents. Many of the latter seem resigned to the fact that a new day is dawning in this respect and say that if a change is inevitable it is better to have it come now when business is so flush and rates are going up and a reduction in rate of commission would not reduce their dollar income below what it has been.

Whether the attack on commissions will go far beyond elimination of excess payments is something for the future to determine. There is a conviction on the part of some influential company and organization leaders that commission to agents nowhere and on no class of business should exceed 20% except that if the agent performs some special service which the company otherwise would have to perform, he should be reimbursed for his out-of-pocket cost. However, a good many observers believe that this is an unrealistic objective in the foreseeable future because despite the avalanche of business that is descending on the companies, competi-

Sales Leader, Trucking Spokesman N.A.I.A. Speakers

Vernon E. Vining, merchandising consultant of Westinghouse Electric Appliance Division, will address the sales production forum at the Atlantic City convention of National Assn. of Insurance Agents Wednesday morning, Oct. 15.

Walter W. Belson, public relations director of American Trucking Assn., will address the state officers luncheon Tuesday, Oct. 14. This program will be especially timely in view of present insurance conditions in the general trucking field. Mr. Belson will emphasize precautionary measures that should, if diligently followed, bring about a much better underwriting experience.

He appears in red suspenders and with tousled hair. He was scheduled to address a previous N.A.I.A. convention but could not attend.

With a nation-wide increase of approximately 1,600 members during the past year, almost all of the state associations are in the running for the Connecticut association membership cup, won last year by Oklahoma.

There will also be close competition for the Sparlin cup, presented to the association rendering the most signal service to the agency system during the year, Secretary Frank Colridge said. It is now held by Ohio.

The awards will be presented at the closing general session Wednesday afternoon, Oct. 15.

All the paid secretaries or managers of state associations will gather at a meeting at Atlantic City Oct. 12, Sunday morning and there will be a luncheon.

Preliminary arrangements have been made by Harry McClain, manager of the Indiana association.

tion has by no means disappeared. They say that when even under today's conditions some of the companies are bashful about eliminating excess commis-

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Ocean Cargo Is Flourishing and Sought After

Marine Markets Still Have Shingles Out— Pilferage Losses Continue

Ocean cargo business is enjoying a flourishing period but marine insurers have their fingers crossed, feeling that the current export boom may be a bubble that will burst, when foreign markets run out of devices with which to make payment. The marine insurance market is extremely active despite the fact that U. S. insurers get only a sniff here and there of insurance on cargoes destined for many of the European countries. Of course there is no insurance on goods bound for Russia and it is said that Switzerland, the Baltic countries, the Netherlands, France and England are particularly zealous in seeing that shipments directed their way are insured nationally.

The principal exports on which the U. S. insurance market has a major hold are those to South America and Central America, Alaska, Hawaii, Philippines, China and West Indies. They also get a look in on exports to South Africa and Australia.

There has been some difficulty in Argentine shipments due to the nationalistic decrees of that country but one device that has enabled U. S. insurers to continue to get business on shipments there is to have the seller hold the sack until the cargo reaches the Argentine. The seller of course can insure as he desires.

Many New Export Brokers

There has developed a post war crop of new export brokers. Some of these the insurers are treating at arm's length fearing that they are simply opportunists. Some of them deal in surplus army goods. They pay little attention to sound packaging and frequently have trouble with their consignees and when such trouble occurs the consignee is difficult to deal with on insurance claims. There was such an outcropping of export brokers after the first war, but most of them went by the wayside.

The large houses that have been exporting for years are continuing to allocate about the same proportion of their products for foreign markets as in the past despite the fact that they could perhaps make some clean ups by taking advantage of inflated demand in various parts of the globe.

Pilferage continues to be the major loss problem in a great many of the ports, but the business nevertheless is favorably regarded and the marine men unlike their fire insurance brethren, still have their shingles out and are eagerly looking for customers.

Some of the ocean cargo insurers say that their volume is as great now as it has ever been in any previous non-war year.

The increased use of cartons instead of lumber containers for export shipments is quite an assist to pilferers. It is much easier to slit open the cartons with a knife or to let them fall and cause the contents to fall out.

Some companies are shying away from insuring exports to places where pilferage is particularly bad. This is true especially of China. Recently

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Neb. Director Takes Hands Off Stand on Term Rule

Insurance Director Stone of Nebraska in taking the position that the question of whether insurance companies shall continue to write term business is a matter for insurance management to determine, also expressed the belief that the abolition of the term rule would not solve the difficulties in a letter to Com-

missioner Sullivan of Washington. Mr. Sullivan has petitioned Thompson of Oregon, president of National Assn. of Insurance Commissioners, to get N.A.I.C. to bring its influence to bear to bar fire companies from writing anything except one year business.

Mr. Stone said he would be very re-

luctant to prohibit insurers in Nebraska, either by act of the legislature or by departmental ruling from writing fire insurance contracts for a term of more than one year. Particularly, he said, would he hesitate to recommend such procedure for town dwellings.

"The Nebraska department," he wrote, "has traditionally followed the administrative philosophy of permitting qualified insurance companies the widest possible latitude in developing new merchandising techniques and in pioneering new types of coverage. We deem this latitude essential to the health of the fire

industry. It is only through this regulatory approach that each company can readily adapt itself, in the sound discretion of its managers, to changing conditions and maintain the flexibility necessary to keep pace with the needs of a changing market.

"Term fire coverages were the product of the industry and not the commissioners. It met the need of the market, passed to the purchaser a substantial saving in rates, and at the same time offered distinct advantages to both the agents and the company. In the absence of unfair trade practice or threatened insolvency, this department considers that the writing of fire contracts for more than a one year term is strictly a company right and responsibility and its continuation an individual matter to be solved by the business judgment of the company's managers. It is fundamental in our thinking that any fire company, by a simple letter to its agents, could promptly discontinue the writing of further term business and thus escape some of the squeezes which you have so ably pointed out.

"Moreover, we would consider any board of directors derelict in its duties who fails to discontinue three and five year term business where its continuation would, in any way, impair or jeopardize the company's future. But to deny 285 fire companies the privilege of writing term fire coverages in this state would, we feel, unreasonably superimpose the judgment of this department over an area properly belonging to company management and arbitrarily infringe upon the legitimate desire of many companies whose surplus warrants the continuation of this type of business. Industry-wide prohibition of term fire contracts, based solely on a department's desire to aid those companies whose surplus does not warrant their continuation and who individually have the right to discontinue writing such lines, unfairly penalizes and restricts soundly managed companies for the benefit of those less well managed and financed.

"We do not feel that all companies are affected by the four generalized squeezes which you point out. Whatever companies are faced with increased losses and expenses may compensate for the rise by proper rate adjustments. Many companies have done so. On the other hand, we have found some companies operating in this state who through careful underwriting and careful management, have not experienced the general trend.

"In reference to the decreased investment earnings experienced by most companies, it is our opinion that such a squeeze is not a proper factor in considering the advisability of the discontinuing of the term rule. Fire insurance companies, unlike life insurance companies, are under no compulsion to make a guaranteed return on the investments of the company. It is our understanding that a company's investment earnings are not considered in the building of their rates and are, therefore, not germane to the amount of reserves or commissions payable under the term contracts. It is true that surplus losses make doubtful the wisdom of further term business for some companies. We have noted, however, from the 1946 annual statements filed with us that decreased investment return is a relatively minor item, but that many companies in 1946 suffered their surplus losses from a decline in the stock market.

"This department has little sympathy for those companies whose statements indicate a policy of using their funds in the purchase and sale of common and preferred stocks in the hope of realizing a profit and surplus return in no way connected with the business of fire insurance. We do not feel warranted in abrogating the term rule for companies who have followed a conservative investment policy for the benefit of those companies who were required to write off considerable surplus by reason of year end losses in the stock market and who for this reason, among others, find the continued writing of term business dangerous to their structure."

INSURANCE CALENDAR



On September 1, 1885, the first electric street railway in U.S. went into operation in Baltimore; it drew power from a third rail. About the same time, people began to use electricity in homes. As the Nation's electrification progressed, lead-

ing fire insurance companies like those in Fire Association Group did all they could to improve equipment and installation standards—and thus reduce electrical fire hazards to a minimum. That's one reason why rates are so low today!

1947—SEPTEMBER hath 30 days

"Honesty is STILL the best policy"

- 1—M.—LABOR DAY, 1939, beginning World War II.
- 2—Tu.—1945, Japanese sign surrender on battleship Missouri.
- 3—W.—1783, Treaty ending our Revolutionary War signed in Paris.
- 4—Th.—Fire Association adjustments, large or small, are always prompt and equitable.
- 5—Fr.—Worst hay fever now.
- 6—Sa.—1901, President McKinley shot in Buffalo.
- 7—Su.—Last Quarter, 10:57 P. M., E. S. T.
- 8—M.—1943, Italy surrenders.
- 9—Tu.—Is all your property insured adequately?
- 10—W.—1846, Elias Howe patented the sewing machine.
- 11—Th.—1944, Churchill-Roosevelt meet at Quebec.
- 12—Fr.—1932, suicide of Ivar Kreuger, "match king".
- 13—Sa.—1814, Francis Scott Key wrote "The Star Spangled Banner".
- 14—Su.—New Moon, 2:28 P. M., E. S. T.
1944, worst hurricane since 1938 hits E. Coast.
- 15—M.—Have your property insurance reviewed now!
- 16—Tu.—1786, U. S. Mint established.
- 17—W.—1787, U. S. Constitution adopted.
- 18—Th.—1793, Cornerstone of Capitol at Washington laid.
- 19—Fr.—1796, Washington's farewell address.
- 20—Sa.—1944, U. S. Pacific Fleet struck Luzon.
- 21—Su.—1831, Wesleyan University opened.
- 22—M.—First Quarter, 12:42 A. M., E. S. T.
1692, Eight witches hanged.
- 23—Tu.—Beginning of Autumn, 4:29 p. m.
- 24—W.—1755, John Marshall, jurist, born.
- 25—Th.—1493, Columbus began second voyage to America.
- 26—Fr.—1513, Pacific Ocean discovered by Balboa.
- 27—Sa.—1863, Daylight bank robbery, Concord, N. H.
- 28—Su.—1781, Siege of Yorktown began.
- 29—M.—It is now probably too late to sow oats.
- 30—Tu.—Full Moon, 1:41 A. M., E. S. T.

OBSERVATION for September: Can you afford not to carry adequate insurance?

PROPERTY INSURANCE
Fire-Auto-Marine-Aviation

FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA



Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA

SYMBOL OF SECURITY SINCE 1811



Are there any private schools, trade schools, secretarial schools—or colleges—in your territory? If so, you will find this message well worth reading . . .

There are many schools and colleges in the United States and Canada whose revenue comes chiefly from tuition fees. Often such fees include charges for board, room and other services. If fire or some other disaster causes a suspension of school activities, students leave. Or if some important buildings are destroyed the attendance is apt to be substantially reduced. And as attendance goes—so goes income!

Your answer to this problem is Tuition Fees insurance. It's a member of the U. & O. family, but it provides better coverage for institutions that derive most of their income from tuition fees. Recovery is based on the actual loss of revenue, and not on the time needed to replace or restore the damaged property. Generally speaking, a school that has a standard-length term, and operates through most of the year, may find an advantage in Tuition Fees insurance that cannot be derived from the regular U. & O. contract.

Many schools and colleges are unaware of this type of coverage. Several alert agents and brokers have reported that they were able to secure the entire insurance line of a school by calling attention to the Tuition Fees form. Try out this business-building idea in your area. If you need assistance, don't hesitate to contact your local Fire Association Group field representative. His job is to help develop commissions for you.

Fire Association Group, 401 Walnut Street, Philadelphia 6, Pa. Branches in Atlanta, Chicago, Dallas, New York, San Francisco, Toronto.

ADVERTISING PAYS . . .

try these ideas in your own
local advertising

Famous American Homes

FORD MANSION

WASHINGTON'S HEADQUARTERS IN THE "MILITARY CAPITAL"

"EIGHTEEN belonging to my family and all Mrs. Ford's are crowded together in her kitchen and scarce one of them able to speak for the colds they have caught." Thus General Washington wrote to Nathanael Greene of his headquarters in the Ford Mansion during the winter of 1779-80, described by some as the coldest of the century.

Widow of a wealthy powder-maker, Mrs. Theodosia Ford offered Washington her home when he sought an official headquarters in Morristown, New Jersey, at that time the "military capital of the United States." Only two rooms were retained for her four children and herself, all the others being turned over to General and Mrs. Washington and his "family", as he liked to refer to his personal staff. One of his aides billeted there was Alexander Hamilton, then courting Betsy Schuyler. In this home many important men of the day convened with the Commander-in-Chief.



The house gives an authentic picture of Colonial life



The Historical Museum behind the mansion displays a diorama with three-dimensional models depicting Lafayette arriving with news of French aid for the American cause

Washington made the Ford house his headquarters for over six months. There is evidence that Martha in particular enjoyed her stay there in spite of the discomforts and ever-present danger. As for Mrs. Ford, the patriotic widow no doubt felt privileged to share her home with the Commander-in-Chief and was amply recompensed by the great man's kindness. Every morning on his way downstairs to breakfast he used to stop and inquire about her son Timothy who was ill for many months.

With the coming of spring, conditions improved and the household was further cheered by the arrival of Lafayette with his joyous news of French assistance.

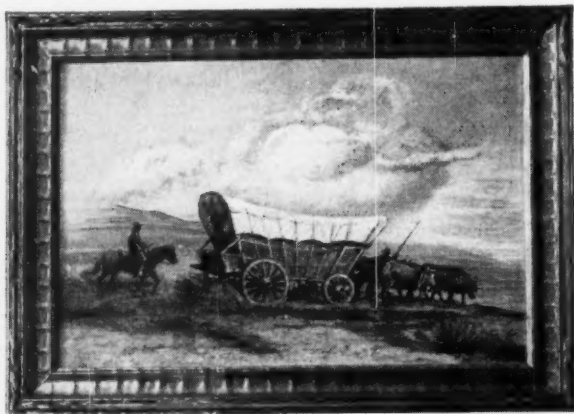
Winter encampment at nearby Jockey Hollow made this home a logical headquarters.

Colonel Jacob Ford erected the house about 1774 and in 1776, with the aid of a loan from the Provincial Congress, built a powdermill not far away which turned out "good powder and in useful quantities." Not long after it was put in operation, however, having caught "mortal cold" on military duty, Colonel Ford fell from his horse while on parade and died of pneumonia a few days later.

The Ford home is now part of the Morristown National Historical Park administered by the National Park Service of the U. S. Department of the Interior.

The Home, through its agents and brokers, is America's leading insurance protector of American Homes and the Homes of American Industry.

☆ THE HOME ☆
Insurance Company
NEW YORK
FIRE • AUTOMOBILE • MARINE



To be Given Away

THIS beautiful, hand-painted copy of the Springfield's Trade-mark Picture, "The Covered Wagon," handsomely framed, will be hanging in the Springfield Group Headquarters at Haddon Hall, Atlantic City, New Jersey, during the annual convention of the National Association of Insurance Agents.

If you attend the convention be sure to visit the Springfield Group, sign the visitors' register, and get your chance on this valuable painting which, on Wednesday, October 15, will be given away absolutely free.

THE SPRINGFIELD GROUP OF INSURANCE COMPANIES
Springfield, Massachusetts

THE year 1947 marks the 227th milestone in the progress of the Royal Exchange Assurance.

During its two-and-a-quarter centuries of service the Royal Exchange has not only provided sound insurance protection for its policyholders, but has consistently maintained its excellent record for prompt and equitable settlement of claims and for rendering valuable assistance to its agents.



Royal Exchange Group

ROYAL EXCHANGE ASSURANCE
PROVIDENT FIRE INSURANCE CO.
THE STATE ASSURANCE COMPANY, LTD.
CAR & GENERAL INSURANCE CORP., LTD.

111 JOHN STREET, NEW YORK

REPRESENTATION IN PRINCIPAL CITIES OF THE UNITED STATES
AND IN MOST COUNTRIES THROUGHOUT THE WORLD

FIRE & CASUALTY LINES . . . FIDELITY & SURETY BONDS

Gedelman to Fireman's Fund Chicago Post

Fred G. Gedelman, heretofore Fireman's Fund state agent in lower Michigan with headquarters at Battle Creek, has been called to Chicago to assume executive duties in the western department as agency superintendent.

Mr. Gedelman is an Armour Institute fire protection engineering graduate and then was with the Eliel & Loeb agency of Chicago as an engineer. He joined Fireman's Fund in 1939 and after a period in the engineering department was transferred to Minnesota where he became state agent. He served in the navy as a full lieutenant and upon his discharge returned to Fireman's Fund and was assigned to the Michigan field.

In Michigan he is succeeded by State Agent Maxwell C. Larkin. He joined Fireman's Fund earlier this year and has been located in Minneapolis. He, too, is an Armour Institute graduate and in his earlier days was with Travelers in Minnesota. He was a naval lieutenant and upon returning from service went with Crum & Forster in the Minnesota field. His next move was to Fireman's Fund. In the navy he served on the battleship Missouri.

Mr. Larkin will be associated with State Agent W. S. Byler and Special Agent Don E. Vibert and the headquarters are being moved to the Houseman building, Grand Rapids.

Richard E. Cowan, formerly Tennessee state agent for Hanover, has joined Fireman's Fund as state agent in Oklahoma associated with State Agent W. G. McCoy in the Insurance building, Oklahoma City. Mr. Cowan is a graduate of University of Oklahoma and is a law school graduate and is admitted to the bar. He served with Oklahoma Inspection Bureau at Oklahoma City and after serving in the navy as a lieutenant he went with Hanover in Tennessee.

L. L. Hunnicutt, S.E.U.A. 42 Year Veteran, Retires

L. L. Hunnicutt, associate engineer of Southeastern Underwriters Assn., and for many years secretary to the sprinklered risk committee, Atlanta, has retired.

His long span of service has been marked with continuous progress in sprinkler protection and in elimination of structural and operational fire hazards. He served for many years as a member of the sprinklered risk committee of National Fire Protection Assn.

Mr. Hunnicutt joined Southeastern Tariff Assn., now S. E. U. A. in 1905. He had graduated from Georgia Tech in mechanical engineering in 1904 and in electrical engineering in 1905. In 1916, he became assistant secretary to the sprinklered risk committee, and in 1926 was promoted to secretary.

Mr. Hunnicutt will continue to reside at the Atlanta Biltmore Hotel.

Opens Fayetteville Office

General Adjustment Bureau has opened a new office at Fayetteville, N. C., with Wallace W. Simpson as adjuster-in-charge. Educated at Duke University, Mr. Simpson joined the bureau in 1936 and was attached to the Charlotte office. He served in the army as a colonel and afterward was assigned to Greensboro and Raleigh.

The Washington office of General Adjustment Bureau has been moved to the Woodward building.



Fred G. Gedelman

THE PHOENIX-CONNECTICUT GROUP of Fire Insurance Companies



The Phoenix
Insurance Company, Hartford, Conn.
1854

The Connecticut
Fire Insurance Company, Hartford, Conn.
1850

EQUITABLE
Fire & Marine Insurance Company
PROVIDENCE, R.I.
1859

ATLANTIC FIRE INSURANCE CO.
Raleigh, North Carolina

THE CENTRAL STATES FIRE INS. CO.
Wichita, Kansas

GREAT EASTERN FIRE INSURANCE CO.
White Plains, N. Y.

MINNEAPOLIS F. & M. INSURANCE CO.
Minneapolis, Minn.

RELIANCE INS. CO. OF CANADA
Montreal, Canada



HARTFORD
30 Trinity Street

CHICAGO
Insurance Exchange

NEW YORK
110 William Street

SAN FRANCISCO
220 Montgomery Street

MONTREAL
485 McGill Street



**All Forms of Fire and
Property Insurance including
Ocean and Inland Marine
Country-wide Brokerage Service**

TIME TRIED & FIRE TESTED

Lawyer Deal

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Lawyer Gives Views on Dealing with Commissioners

NEW YORK—Statements in a recent NATIONAL UNDERWRITER editorial entitled "Dealing With Insurance Commissioners" have prompted Albert Hirst, New York attorney and counsel of the New York State Assn. of Life Underwriters and other insurance groups, to take some exceptions.

The commissioner whose remarks were quoted in the editorial stated that "he would go a long way with anyone who was open and above board and did not try to deceive him."

This is nothing new, Mr. Hirst points out. Everyone knows that it is more effective to make an approach in this way than to try tricks. The only really dumb fellow is the one who is too smart. But if this is true of the layman who is appearing before an administrator, it is also true of the administrator. Why, Mr. Hirst wonders, should the administrator put the burden of being frank and open altogether on a member of the public?

Objected to Lawyer

The editorial also stated: "This commissioner regretted when a company would send a lawyer to his office when the question involved had no legal aspects."

Whether the layman is to be represented by an attorney or not is distinctly something that should be decided by him and not by the commissioner, Mr. Hirst declares. Under the constitution everyone has the right to decide this question for himself. It is the height of impropriety for any official to take the attitude, implied or otherwise, that he will discriminate because the person appearing before him is represented by counsel.

On the other hand, "we have had in recent years ample experience with public officials who deliberately discouraged employment of lawyers and then took advantage of members of the public who were unprotected," Mr. Hirst stated. No administrator of justice or administrator of any supervisory department is helped a bit if the public gets the impression that advantage is taken of a member of the public if he appears without an attorney.

Creates Suspicion

Any public official who tells the public that it should not retain counsel creates a suspicion against himself, Mr. Hirst believes. This is especially true of an insurance commissioner who is of course surrounded by legal talent.

Regarding the question of "political attorneys", no one, insurance company, agent, broker or lawyer likes to hire political counsel, Mr. Hirst said. It is usually done only when the people feel that they need the protection of a political lawyer.

Any commissioner who finds himself confronted frequently by political counsel is automatically suspect, Mr. Hirst declared. Maybe he so behaves himself that people decide they need political counsel for their protection. Such commissioner should search his own heart to see if he has always been fair and impartial and always resisted political pressure, Mr. Hirst suggested.

"As far as I personally am concerned, I frequently deal on behalf of a client with bureaus and departments. I have usually found that I could get along perfectly with officials, not infrequently even in cases where clients had difficulty in getting along with them.

"I have never met a commissioner of the type referred to in the editorial. I have never found a public official who discriminated against a client because he had legal counsel.

"Unfortunately, comments like the ones in the editorial, that the public should not retain counsel, frequently

are made by public officials. The organized bar resents all such statements as a slur on the profession and a distinct disservice to the public," Mr. Hirst declared.

"This is a free country," he said. "This means that it is a country where

courts enforce the law, and courts cannot enforce the law unless they are advised by skilled counsel, each one representing one side. If the bar is destroyed, the courts are destroyed, and if the courts are destroyed, freedom is gone.

"I would not have commented if the question had been one only of retaining counsel in appearances before insurance commissioners, but the implications of the commissioner in the editorial reflect an attitude altogether too apparent among government department and bureau officials in recent years."

Richardson L.&L. Manager

A. S. Booth, manager at Montreal of London & Lancashire for more than 23 years will retire Sept. 30. He has been with the company for years. James Richardson, assistant manager at Montreal, will succeed him. Mr. Richardson has served the company for 27 years in Scotland, England and Canada.

Newman L. Ackerman has established local agency offices in the Seybold building, Miami.

What's it worth if it BURNS?



One of the commonest causes of misunderstanding between insurance men and insureds is the question of what is fair settlement for used or deteriorated property.

Usually when you explain the meaning of "actual cash value at the time of the loss" the insured understands. But the chances are that until he had a loss he thought his insurance would pay the replacement cost of a new article or building.

Most insureds have never thought about the fact that when something is half worn out it's worth only half as much. It's up to us in the insurance business to acquaint insureds with that fact. By publishing the column shown here in *Newsweek* for September 22, we're doing our part to clear the air and dispel any confusion.

Every month a column like this that clearly explains some important point about insurance appears in leading news magazines. These columns are helping all agents and brokers because they clarify problems that continually arise. Our own agents are using folders reprinting the columns each month. These selected agents are able to keep their own clients and prospects informed through their own column in *Time* and *Newsweek*.

Security Insurance Companies

HOME OFFICE: NEW HAVEN, CONNECTICUT

Security Insurance Company of New Haven
The East & West Insurance Company
of New Haven
New Haven Underwriters
The Connecticut Indemnity Company

1841—"Security," The Nation's Watchword—1947



In effect, your insurance policy assumes that you handle your personal affairs as any good business man does his commercial property. He sets up a depreciation reserve which keeps pace with the deterioration of the property. Then when there is an insured loss the sum of the reserve and the proceeds of the policy exactly equal the cost of a new building or machine. Of course this assumes that his reserve is rightly computed and that he carries the correct amount of insurance.

So actually the face amount of most property insurance policies is the maximum limit that may be collected on them if the property is actually worth that much at the time of the loss.

To be certain you get the best advice available on your insurance, call in an agent representing one of these companies: the Security Insurance Company of New Haven, The East & West Insurance Company of New Haven, the New Haven Underwriters, The Connecticut Indemnity Company.

SECURITY
Insurance Companies
Office: New Haven, Connecticut

Wis. Board Prods Insurers to Speed "Comp" Payments

Henry A. Nelson, director of workmen's compensation for Wisconsin industrial commission, has sent out material intended to jog insurers to make workmen's compensation claim payments more promptly and to reduce the proportion of cases that are taken to hearing. While in general he commends the insurance companies for maintaining their previous high average as "to promptness" he scolds some of the stock companies rather severely.

Some companies by educational work with employers and better methods to insure promptness of payment could improve their records, he said. The record of some companies is so poor that they need to give immediate and careful attention to the situation.

The mutual companies, he states, have an average record of prompt payment of 87½% whereas the stock record is 79.3%. Mutuals as a group make first payment of compensation within 10 days in 41.3% of cases whereas the stock ratio

is 28.4%.

"Are stock companies," he asks, "not utilizing methods similar to those of mutual companies or is there some reason why stock companies cannot set up machinery which will insure as prompt payment as that by mutuals?" The commission will appreciate hearing from stock companies on this point, he states.

The commission, according to the letter, is aware that some stock companies are at the top of the list and others are far above the average. These companies, he states, are entitled to even greater credit in the light of the poor record of other stock companies which bring down the overall average. That means, however, that a number of stock companies have extremely poor records "for no good reason which the commission is able to determine."

Some companies, he says, made surprisingly good progress in cutting down the number of formal hearings in compensation cases. This, he said, was due to attention to detail, liberality of treatment, maintenance of employer and employee relations that make for amicable and adequate adjustments "without invocation of technicalities, delay, practices which tend to create suspicion and dissatisfaction in the minds of claimants. The commission wonders why when one

Prepare Fire Prevention Week Film Trailer

Underwriters Laboratories has again produced a film trailer for use in local theaters during Fire Prevention Week, Oct. 5-11. The movie features Horatio Bond, chief engineer National Fire Protection Assn., on "What to Do to Avoid Fires."

Insurance organizations, fire chiefs and others can use this one-minute film as a part of their Fire Prevention Week activities. Each film will carry the name of the sponsoring organization. Theater managers usually are glad to include these trailers without cost.

The cost of the film, including shipping charges and the preparation of the sponsor's name, is \$5.50 per print. Local organizations may obtain additional information, by addressing Underwriters' Laboratories, Inc., 207 East Ohio street, Chicago 11.

large company is able to cut down its percentage of hearings to 2.6% of the total number of claims settled, many others have more than twice as many hearings comparably." The average, he said, could well be cut to below 3%.

The total injury cases in 1946 of insurance companies were 27,572. The cases with one or more hearings totaled 1,204 and the percentage of the total was 4.4%. Insurance companies with 20 injury cases or more that were rated, have a percentage ranging from 0 to 12.7%.

The self insurers had 5,266 injury cases and 436 had one or more hearings giving a ratio of 8.3%. Uninsured employers had 35 cases, 30 went to hearing and the ratio was 85.7.

The grand total was 32,873 injury cases of which 1,670 went to hearing and the ratio was 5.1%.

First payments are classified as "prompt" if the injured employee receives payment 15 days or sooner after commencement of disability. During the first half of 1946 payments by all insurance companies were rated 86% prompt and 14% late. In the first half of 1947 the comparable ratios were 85 and 15. For self insurers in 1946 the ratios were 78.1 and 21.9 and for the first half of 1947 they were 79.1 and 20.9.

1,500 Disabled GI's Are Training for Insurance

WASHINGTON—More than 1,500 disabled ex-service persons are training to be insurance salesmen under the vocational rehabilitation act, veterans administration says. Of these, 1,282 are taking on-the-job training, 232 are enrolled in college courses and 50 are studying insurance in non-college business schools and other institutions.

While this training is proceeding a veteran having disability rated at 30% or higher, receives from VA a minimum of compensation and subsistence allowance of \$115 per month, if there are no dependents, or \$135 if there is one dependent. If disability is less than 30% the minimum allowances are \$105 per month, without dependents, \$115 with one dependent. Additional allowances are paid if the veteran has more than one dependent.

The 1,500 figure was arrived at through sampling records of 229,000 handicapped veterans in schools and on-the-job training courses May 1, last.

Neb. Loss \$100,000

FREMONT, NEB.—A fire which destroyed the Sargent Company feed mill caused a loss estimated at \$100,000. The flames started with an explosion in the meal bin and spread rapidly. The mill covered a quarter block.

John L. Golob, a leader in insurance activities on the Iron Range of Minnesota, has been elected national commander of Disabled American Veterans. A veteran of the first world war, he has been in the insurance business in Hibbing for several years.

Next Hemisphere Parley in Mexico in Fall of 1948

WASHINGTON—A resolution urging governments throughout the Western Hemisphere to refrain from undue interference with the operation of the insurance business as a private enterprise was adopted by the permanent committee of the Hemispheric Insurance Conference at its recent meeting at Rio de Janeiro.

This announcement was made here by John A. Diemand, chairman of the Hemispheric Insurance Conference committee of U. S. Chamber of Commerce and president of North America.

The permanent committee is an interim body created by the first Hemispheric Conference at New York in 1946 and is comprised of one delegate from each country in the Western Hemisphere chosen by its private domestic insurance companies. Mr. Diemand, the U. S. member, was represented at the Rio meeting by V. I. G. Petersen, foreign assistant secretary of North America.

Attending as alternates from the U. S. were W. Alexander Kerr, foreign manager Liberty Mutual; F. E. Vincent, marine manager American Foreign Insurance Assn., New York; L. C. Richardson, secretary American International Underwriters.

Kirkpatrick Is Secretary

A. L. Kirkpatrick, manager insurance department U. S. Chamber of Commerce, is secretary of the committee.

Delegates from Mexico and Peru joined in urging the committee to take a vigorous stand in opposition to government encroachment into the freedom of operations of insurance as a private business. Their recommendations will also be presented to the plenary session of the second Hemispheric Conference which was awarded to Mexico City to be held in the fall of 1948.

Other resolutions adopted at the Rio meeting urged: that workmen's compensation insurance continue to be kept as a field for private enterprise; that facilities be established for the fullest exchange of technical information on each branch of insurance among all countries of the Western Hemisphere; that full interchange of educational material and methods be arranged; that the way for further studies to be directed toward greater uniformity in marine coverages and in insurance terminologies be prepared; that cooperation be provided for among the insurance companies of each country looking toward greater simplification in covering and serving insurance for international automobile tourists and international airlines.

Countries represented were Argentina, Brazil, Chile, Columbia, Mexico, Peru, U. S., Uruguay and Venezuela.

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REVIEW SANTANDER CONFERENCE

International Catastrophe Study Looks Far Into Future

The "Review" of London in its August edition carries an account of the recent conference at Santander, Spain, on catastrophe risk handling which was attended by a number of U. S. insurance men. Heretofore only fragmentary accounts of that gathering have appeared in this country. Those present from the U. S. were Prof. Ralph Blanchard of Columbia University; William F. Delaney, New York reinsurance manager of Fairfield & Ellis, Boston, and Dr. Max Wollner, vice-president of U. S. & Foreign Management, Ltd., representing for Europe Lincoln National Life and the Rhode Island group. The "Review" reports:

In 1941 the greater part of the town of Santander was devastated by a fire which unfortunately was made worse by a hurricane. The need to settle this loss as well as to repair the ravages of the civil war called for extraordinary measures, leading to the setting-up of the Consorcio de Compensacion de Riesgos Catastroficos sobre las cosas (The Compensation Fund for Catastrophe Risks to Property) as it is now called. On the Santander conflagration alone the fund has paid out pts. 64,623,000 in claim (£1,470,000 at the clearing rate of exchange).

The efficiency and thoroughness with which the Spanish companies met a difficult situation has earned a handsome reward in a steadily growing fire premium income, in the same way as the companies which settled generously the San Francisco earthquake fire claims of 1906 reaped immediate and substantial benefit in increased public support. On the strength of the Spanish experience Señor Joaquín de Ruiz y Ruiz, the Spanish state insurance superintendent, has devoted a considerable amount of time and energy to the study of the prospect of an ultimate extension, on an international basis, of cover for catastrophe risks through private insurance enterprise. Señor Ruiz gave an address on the subject in Zurich in December, 1945, which was reprinted in translation in our annual Reinsurance Number of Nov. 22 last year. Since then Señor Ruiz has studied the problem during tours of many European and overseas countries, and he was encouraged to hold a conference in Spain on the subject.

Meeting Place Appropriate

Most appropriately the conference was held in Santander, from July 24-30, but those delegates who were able to get there in time were first shown the attractions of Madrid and were then taken by car to Santander, stopping en route to admire the cathedral at Burgos. Traveling difficulties and other factors prevented as full a representation as might otherwise have been desirable, but, nevertheless, delegates were present from 16 foreign countries, in addition to a large representation of Spanish insurance.

Those who are familiar with international gatherings will realize how much the success of the conference was due to the dynamic personality of the president, Señor Ruiz, who untiringly presided over the numerous sub-committees which had the task of hammering out a joint and in the end unanimous resolution in the face of a great variety of approaches to the subject, natural enough when one considers the difference in language and environment of the delegates.

Very wisely the meeting was split up into a Spanish-speaking, a French-speaking and an English-speaking section, which prepared their own reports which were then co-ordinated by a sub-committee consisting of the president, Señor Ruiz, the vice-president, Señor Amílcar Santos (Brazil) who, with Señor V. Ortega, of Cuba, repre-

sented the Spanish-speaking section. The French section was presided over by M. P. Carteron, with Youassi N. Naguib, state insurance superintendent of Egypt, as vice-president, this section including the Italian and Egyptian representatives. The chairman of the making insurance all-inclusive is, of English-speaking section was G. Lafrance, state insurance superintendent of Quebec, who had Mr. de Jongh, of Holland, as his deputy. This section, which was the smallest of the three, included the American, Irish, English, and Dutch representatives and one Philippine delegate. The section was greatly indebted not only to its chairman and vice-chairman but also to Professor Ralph

Blanchard of Columbia University, who played a great part in drafting its final report.

The subject of catastrophe risks insurance and the broader problem of course, not new. Professor Blanchard has been writing for 12 years or more of the latter part of the problem, and Mr. de Jongh informs us that the problem of catastrophe risks has already attracted the attention of actuaries and, although literature on the subject is as yet scarce, a report on it was published in Holland last month. The definition of catastrophe risks given in the final resolution probably did not completely satisfy anyone and is likely to be revised. A precise definition can at any rate best be given in strictly mathematical terms, involving frequency curves and other mathematical formulae. Broadly speaking, it may be said that catastrophe risks are risks of a low claims frequency and a high but uncertain loss potential. The cause may be extraordinary or trivial, such as the famous kick of a cow which started the great Chicago fire of 1871,

but the damage may be beyond the present capacity of the insurance markets of the world to carry.

Selection Against Insurers

Not necessarily because they have not the financial strength but rather because, owing to the low loss frequency, the public does not readily insure against the risk, except in the danger areas, thus creating selection against the insurers. It is one of the notable results of the Santander conference that it was stressed that the conference was dealing only with risks which the public should be induced to insure against, additional to their ordinary policies, so as to avoid this selection against the insurers. Only on that basis will it be possible to cover catastrophe risks by private insurance, without state intervention and without compulsory insurance. It was also clearly realized at the conference that war risks on land, and, indeed, practically all war risks other than those which marine underwriters are willing to cover in the

(CONTINUED ON PAGE 14)

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Texans Claim 5% Extra on Windstorm Is Earned

Following a meeting of representative Texas agents at which Texas Assn. of Insurance Agents was directed to conduct an uncompromising fight against the efforts of the insurers to reduce extended coverage commissions from 25% to 20% Drex G. Foreman, executive secretary of the state organization, issued an official statement enlarging upon views recently expounded by him.

"The Texas Assn. of Insurance Agents holds there is no relation between loss experience and expenses," the statement declared. "This is recognized by our board of insurance commissioners in its system of rate making for all classes of insurance. In the rate making for windstorm insurance, 45% is allowed for expenses and 55% for losses.

"This 45% for expenses was fixed by the board in its 1942 'commission order.' At that time a favorable loss experience was causing some companies to pay higher commissions than others. The companies paying the higher com-

missions claimed that they were justified in doing so because of the favorable loss experience. The companies who were paying the standard commissions then held that there was no relation between loss experience and commissions. These companies claimed that a continued payment of these high commissions would run the cost of doing business (expenses paid) so high that the public would not stand for it. They appealed to the board for relief.

"The board held a hearing on May 20, 1942; not a hearing on rates, but a hearing on expenses paid. The result of the hearing was this 'commission order,' which fixed expense formula for the different classes of insurance. The expense formula fixed in the order for windstorm insurance was 11% for general administration expenses; 2.25% for field supervision; 1.5% for inspections, surveys and reports; 5.25% for taxes; 25% for commissions to local agents, a total of 45%. This was the formula proposed by these companies. In the order the commissioners in re-

ferring to the commission item said: 'It is the considered judgment of the board that the rate of commission allowed in the expense formula above set forth is a just and fair commission to be paid by all companies to their local agents.'

"The 'statement of expenses paid' by the companies recently released by the board for the five-year period (1942-1946) shows for these expense items, 10.45% for general administration expenses; 4.44% for field supervision; .99% for inspections, surveys and reports; 3.16% for taxes; 25.19% for commissions to local agents, a total of 44.23%. This total is .77% under the 45% total fixed by the board in its 1942 order.

"We take the position that it costs an agent more to service extended coverage and windstorm insurance than it does fire insurance. We feel that a 5% higher commission is earned by an agent. An ordinary rainstorm in any town will result in every agent in town being flooded with reported losses. These losses reported are from their policyholders and cannot be dismissed with a 'yes' or 'no' answer over the telephone. Each one must receive individual attention. The \$100 deductible clause is materially increasing their agency cost.

Cites "Costly" Expense

"This additional cost of servicing windstorm insurance has already been recognized by the companies. We have a letter from the National Board with reference to agents determining whether a reported loss will exceed the deductible before preparing a loss notice. Assignment of 'no claim' windstorm losses is referred to as a 'needless' expense to the companies. If it is a 'needless' expense to the companies for an adjuster to go out and argue with an insured about the deductible, then it is most certainly a 'costly' expense for an agent to do so. Many of our members do it and we feel they should, but it is an added expense that alone fully justifies a 5% higher commission on windstorm insurance.

"We are much concerned about our members not having sufficient company facilities to handle their business. This is not just a Texas problem; it is nationwide. It is more serious in some areas, such as the coastal area in Texas.

"We, however, must not confuse the lack of sufficient company facilities with this reduction in commission. There are involved in this question problems that are of far more concern to company executives than this reduction in our commission.

"Companies who have notified agents of this reduction in commission, who have withdrawn from some agencies, and restricted their lines in others, have not promised to increase their lines or re-enter agencies on account of the reduction.

"False Hopes"

"Many agents were encouraged by such 'false hopes' when the \$100 deductible was adopted, when what actually happened in the seacoast territory was exactly the opposite; more companies withdrew from this area and there were further reductions of lines by those who had not withdrawn, and all this in the face of an 11% loss experience in the seacoast territory for 1946.

"We feel that the only question to be considered is whether or not an agent earns 5% more commission on extended coverage and windstorm than on fire. The agents of Texas feel that he does. The companies in 1942 felt he did and evidently the board with them. If he earned that 5% in 1942 before the \$100 deductible, then he most certainly earns it now.

"Of the southern states in which agents are paid 20% on extended coverage and windstorm insurance only one has in effect a deductible. At the Southern Agents Territorial Conference held in connection with the meeting of National Assn. of Insurance Agents in Oklahoma City, April 22, 1947, it was the agents from these southern states who adopted a resolution requesting the companies to increase their 'prevailing

MOTOR

S. F. Committee Recommends Eight Steps to Control Auto Repair Costs

Following up the conference of its special committee with a group of leading San Francisco automobile repair shop owners, the Automobile General Adjusters Assn. of that city has adopted a resolution calling for support of its program to correct unsatisfactory conditions which include high cost of automobile material damage repairs. The committee, which consists of auto claims superintendents, has decided it must develop ways and means of more adequately controlling automobile damage repairs so as to reduce claim costs, and recommends that complete support be given claims representatives by management; that agents and brokers be eliminated from assignment of adjustments as far as possible; that more adequate control of repairs be exercised by adjusters; that there be physical inspection of damaged automobiles; that only qualified material damage adjusters be employed; that the companies intensively pursue subrogation; that they realize full and complete recovery on salvage, and that there be closer investigation and physical inspection of property damage claims.

The resolution also suggests facilities of the National Automobile Club as regards its panel of inspected garages and repair shops throughout the state be made available to all companies for use in adjustment of claims. However, these panel shops will not be used as adjusting units.

The resolution is in the hands of H. E. Manners of National Automobile

inadequate rate of commission.' Furthermore 25% is paid in most all other states—30% in a few states and 30% in all the 'excepted' cities.

"Therefore this reduction in commission cannot be justified by the commission paid agents elsewhere.

"It is regretted that the manner in which this reduction is being made and the reasons being given make it necessary for the Texas Assn. of Insurance Agents to so state its position against it. The companies do have many problems during these times but surely there must be ways of solving them other than taking money away from their Texas agents in the form of a reduction in their commission on extended coverage and windstorm insurance."

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Club for the Casualty Assn. of Insurers and Agents.

The special cost of a using a 6 to 10% of does about per month between 5 estimators placed in started.

Okl. C. Physica

OKLAHOMA insurance effective. A physical damage warned the road further rate. The minimum and miscellaneous from \$5 to from \$6 to

The average \$100 deductible new cars average in deductible per is 30% and Commercial lision increased 2 cars, when collision with no claims. Illinois west that increase

R. F. Spring

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Club for consideration and also before the Casualty Claims Assn., California Assn. of Independent Insurance Adjusters and California Assn. of Insurance Agents.

The special committee learned that cost of a repair shop employing and using a qualified estimator runs from 6 to 10% of its total business. One shop does about \$20,000 reconstruction work per month and figures an added cost of between 5 and 6% in order to have estimators and the necessary charge is placed in the repair bill before a job is started.

Okla. OK's Higher Auto Physical Damage Rates

OKLAHOMA CITY—The Oklahoma insurance board has approved, effective Aug. 25 increased automobile physical damage rates. The board also warned that unless the safety rules of the road are more closely followed further rate increases may be necessary. The minimum premium for fire, theft, and miscellaneous coverage is increased from \$5 to \$7 and for comprehensive, from \$6 to \$8.

The average increase for the \$50 and \$100 deductible forms or collision on new cars is 8% and on old cars the average increase is 39%. The \$25 deductible premium increase for new cars is 30% and on old cars 67%.

Commercial intermediate hauling collision premiums for old cars are increased 25% with no change in new cars, whereas the long distance hauling collision premiums are increased 20% with no change in local hauling premiums.

Illinois is now the only state in the west that has not acted on the rate increase filings.

FIELD

R. F. Nelson to Springfield in Ia.

Russell F. Nelson has joined forces with Springfield F. & M. as Iowa state agent, sharing offices with Springfield's other field man in Iowa, Frank D. Carr, at Des Moines.

Mr. Nelson takes the place left vacant by the resignation of W. A. Kruse who is forming his own local agency at 712 Fleming building, Des Moines. Mr. Nelson has been an Iowa field man about 23 years and also for much of that time operated as a local agent at Des Moines as well. For 19 years he was with Mill Owners Mutual and for the past four years has been with Dubuque Fire & Marine.

Mr. Kruse in his local agency, will represent Springfield F. & M. He has been with that company about 18 years in the office and field and prior to that was with Westchester in Illinois.

Mich. Pond Honors Ewald at Farewell Luncheon

DETROIT—At a farewell luncheon for Walter R. Ewald, past most loyal gander of the Michigan Blue Goose, 90 members, including eight past most loyal ganders and two deputy most loyal ganders, were present to congratulate him on his promotion and wish him well on his transfer to the home office of Great American. On behalf of the Blue Goose, Clarence Hubbard, most loyal gander, presented him a gold embossed leather cigarette box and on behalf of the Michigan Fire Underwriters Assn., President L. Irving McKay presented him a framed testimonial. He served as president of the association in 1942-43.

Mr. Hubbard and W. T. Benallack, past most loyal grand gander, will attend the grand nest meeting at Miami Beach.

The Michigan pond will hold a golf

outing at Bonnie Brook Country Club, Detroit, Sept. 16. Golf will be followed by a steak dinner. L. Irving McKay, supervisor, is in charge.

Hanover on Direct Basis in W. Va.

Hanover and Fulton Fire are now operating in West Virginia on a direct basis. Hanover has retired from the Alfred Paull & Son general agency, and Fulton has retired from the W. J. Perry Corp.

Joseph P. Warek has been appointed West Virginia state agent with headquarters in the Peoples building, Charleston. He received his training with Royal-Liverpool, and recently has been in the West Virginia field for that group.

C. R. Dobbins Ind. State Agent of Scottish Union

Scottish Union has appointed Corwin R. Dobbins as state agent for Indiana with headquarters in the Bankers Trust building, Indianapolis. He

succeeds W. A. Trudelle, who is now affiliated with Agricultural.

Mr. Dobbins, recently assistant secretary of Reliable of Dayton, and formerly a special agent for American and Reliable, has had extensive experience in Indiana.

Names H. F. Eggert in Pa.

Corroon & Reynolds has named Harry F. Eggert as special agent in western Pennsylvania, taking over the territory formerly supervised by Dean O. Haggerty.

Mr. Eggert attended the Drexel Institute of Technology. During the past 15 years his activities have been in the field of rating and engineering. For 10 years he was with the Middle Department, and he has a thorough knowledge of all types of inspection and rating work. He has traveled extensively throughout Pennsylvania and is well acquainted with the territory.

Start Okla. City Program

Distribution of 600 posters showing the fire department telephone number, and of small cards to be placed near public telephones was decided upon at a meeting of the Oklahoma City fire pre-

vention committee with President George S. McFall of the Oklahoma Fire Prevention Assn.; Fred F. Fox, Oklahoma Assn. of Insurance Agents, and state officials. The material will be placed in prominent locations through the retailers association. Commissioner Dickey and State Fire Marshal Young pledged full support at the meeting and Gov. Turner gave a similar pledge over the phone.

The fire prevention message, qualified to make the movement a year round event will be carried to regional meeting of the Oklahoma Assn. of Insurance Agents at Alva, in September, when state officials of both organizations will meet with the mayor and city council of Alva.

The field office of Hartford Fire for northeastern Ohio is being moved to the Hanna building, Cleveland. This will include the offices of A. C. Willing, Jr., and Robert W. Ellis, special agents and H. K. Hargrove, automobile adjuster. This provides larger quarters.

The date of the Hammond-East Chicago Insurance Agents roundup has been changed to Sept. 18, at Woodmar Country Club.



There's a big demand for the Comprehensive Personal Liability policy. The day of the damage suit is by no means past and there are plenty of prospects yet to be sold.

To help sell the Comprehensive Personal Liability policy we offer our agents the simply written and well-illustrated booklet "Where

there's LIFE there's LIABILITY." This attractive two-color booklet can be easily folded into a regular envelope. It makes the coverage more understandable and helps "break the ice" for the agent. This convincing "visit by mail" reduces to a minimum the time spent in follow-up.

Sample copy available on request.

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Insurance Institute Survey Bares Lack of Employee Education Programs

In a survey of education and training activities of insurance companies and associations directed by Richard de R. Kip of the business school of the University of Pennsylvania, the most important single need is characterized as a basic orientation course to provide employees with an elementary understanding of the business.

Of 280 property and casualty companies which replied to survey questionnaires, 214 or 76% of the companies reported they had no formal educational program of any sort.

The conclusions indicated that formal employee education is still in a nebulous state. There was little agreement among those who answered the survey as to what employees should be taught.

The survey resulted from a request of Insurance Institute of America to the University of Pennsylvania that such a study be made of insurance education and training other than that carried on by colleges and universities. The study was begun 18 months ago. Mr. Kip has drawn his information from companies, associations and commercial publishers of educational material.

The project was supervised by a committee of insurance educators including Dr. David McCahan, chairman; Dr. S. S. Huebner, Dr. Harry J. Loman and Dr. G. Wright Hoffman. Insurance Institute was represented by a committee of which James A. McLain was chairman. Committee members were John H. Grady, Edward H. Kingsbury, John A. North and Prentiss B. Reed.

Educational methods on the sales side were reported to be the most effective and the comment was that the over-all effectiveness of insurance field forces has been increased in recent years. It is reported, however, that with the exception of the Chartered Property & Casualty Underwriter program, there is no generally accepted standard of sales training. The survey comments that National Assn. of Insurance Agents is aggressively approaching this problem.

Mr. Kip finds that a majority of the courses now available for non-sales personnel are of a specialized nature. Organization for educating a maximum number of employees reportedly falls short of the minimum that would do a real job.

Put Heavy Accent on Fire Prevention Week

WASHINGTON—Efforts of H. E. Hilton, assistant manager U. S. Chamber of Commerce insurance department, to induce President Truman to read his national fire prevention week proclamation before news reels have been unsuccessful, owing to the heavy demands upon the President's time.

A meeting of the national fire waste council's executive committee will probably be held here early in October. The object is to formulate a fire prevention program for the remainder of 1947 and to be carried out next year also.

Cooperation with the objectives outlined by President Truman in his proclamation establishing the week of Oct. 5-11 as fire prevention week has been pledged today by the U. S. Chamber of Commerce and national fire waste council.

Earl O. Shreve, president of U. S. Chamber and also vice-president of National Fire Protection Assn. stated he is pleased with President Truman's idea to extend fire prevention activities beyond the week of Oct. 5-11, noting that the chief executive had said:

"I earnestly request every citizen to eliminate all possible causes of destructive fire in his home and in his place of business, and I urge that vigilance against fire be extended beyond fire prevention week and zealously continued throughout the year. I invite state and local governments, the Chamber of Commerce of the U. S., the National Fire Waste Council, the American National Red Cross, business and labor organizations, churches and schools, civic groups, and agencies of the press, the radio, and the motion-picture industry to cooperate fully in the observance of fire prevention week with the objective of initiating a fire prevention campaign continuing throughout the year."

National fire waste council has sent a list of material available for use during fire prevention week to 2,200 chambers of commerce and 1,300 fire prevention committees. The material includes posters, displays and pamphlets.

Mr. Hilton has had the President's proclamation photographed, and each local chamber is urged to have a photographic copy posted in every school room during the week of Oct. 5.

The proclamation noted the needless death of thousands of citizens arising out of preventable fires, and also said that during the past 10 years the cost of the nation's fire loss has more than doubled, amounting to more than \$560 million in 1946 alone. The President said that this ravage, if unabated, threatens an even more calamitous loss of life and waste of material wealth.

Single Tax Suggestion

Fire companies apparently would favor paying a single tax in any state and letting the state distribute the money to municipal fire departments, insurance departments, etc. A suggestion of this sort was made when a committee representing various insurance interests, life and fire and casualty, appeared recently before the Louisiana tax commission, which is studying the modernization of the state's tax structure. However, the tax procedure is set up in this way in few, if any states. A change to the single payment basis would require legislation, and municipal fire and other departments could be expected to oppose if there were even a remote chance of less money.

Cut Dividends 5 Points

Dividend scales have been adopted by Cambridge Mutual Fire, Merrimack Mutual Fire and Norfolk & Dedham Mutual Fire. The returns to policyholders of the three companies will be at the rate of 15% for fire and E. C. on all policies expiring on and after Oct. 1. The prevailing rate is 20%.

Much Talent for Richmond School

RICHMOND — The program has been completed for the short course school to be held Sept. 8-10 at University of Richmond under the joint sponsorship of the university and Virginia Assn. of Insurance Agents. The course will be held for the benefit of all stock agents, their employees, men and women, company men, adjusters, engineers, rating bureau employees, state insurance department employees and any who contemplate starting in the stock insurance business, it is announced by Col. J. Earle Dunford, manager of the Virginia association.

Following is the list of instructors with the subjects they will discuss: Claude D. Minor, president Virginia F. & M., "Time Element Coverages"; Richard E. Farrer, educational director National Assn. of Insurance Agents, "If I Were a Local Agent"; E. H. Luecke, agency department Fidelity & Casualty, "Broad Form Liability" and "Selling-Survey Selling"; Manley Stockton, assistant manager Hartford Fire, "Motor Truck Insurance"; William J. Schiff, assistant secretary Indemnity of North America, "Sale of Fidelity Insurance"; A. E. Spottke, secretary National Bureau of Casualty Underwriters, "Auto Insurance: Rates, Rating Plan, Coverages, Policy and Endorsement Forms."

Warfield On List

Also, Guy T. Warfield, Jr., president, National Assn. of Insurance Agents, "Your National Association in Education"; L. O. Freeman, Jr., manager Virginia rating bureau, "Your Rating Plan in Action"; Oscar H. West, Washington representative N.A.I.A. "A Few Minutes of Fun by Our Adopted Son"; Blake T. Newton, Jr., general counsel state corporation commission, "Insurance Laws of Virginia"; W. Sheppard Drewry, Richmond attorney, "Third Party Liability"; Oscar Beling, superintendent agency system, Royal-Liverpool, "The Agency System as an Aid to Production" and "The Agency System as an Aid to Profit."

Commissioner Bowles of Virginia is scheduled to extend greetings. Addresses of welcome will be delivered by J. V. Arthur, Winchester, president Virginia association, and by Dr. George Modling, president of the university. An attendance of 200 is expected. The last school was held in 1941.

McClelland Risk Research Manager

NEW YORK—Walter R. McClelland has been made executive secretary of Risk Research Institute, succeeding W. W. Clement, who recently resigned to go with the National Assn. of Insurance Brokers.

Mr. McClelland gained most of his insurance experience in and around Philadelphia. He is a graduate of Girard College there, and took the Insurance Society course in Philadelphia in 1937.

He entered business with Lumbermen's Mutual Casualty in 1932 as an automobile underwriter, later advancing up the line. From 1934 to 1936 he was with the Philadelphia agencies of John J. Trainer and Haverstick & Harper. Except for his service in the army, where he attained the rank of captain, from 1936 to 1946, Mr. McClelland was with Aetna Casualty first as an underwriter of casualty lines and later on in the risk analysis department. In 1946 he managed the insurance branch of C. Ray Swartley at Lansdale, Pa., and in 1946 managed the Rosenlund Agency at Philadelphia.

W. Va. Premium Taxes Reported

CHARLESTON, W. VA.—Premium tax collections and fees on insurance business in West Virginia during 1946 brought the state an all-time high of \$1,635,193, compared with \$1,376,290 collected in 1945.



THINK of it and don't forget it for an instant—311,500 homes leveled or damaged—10,000 lives lost annually by fire. Know the principal causes of fires, take preventive steps without delay.

Are you safe from these principal causes of fires:



Careless use of matches and careless smoking habits.



Faulty heating and cooking equipment—stoves, furnaces, chimneys, flues and pipes.



Misuse of gasoline and all inflammable fluids.



Defective wiring and electrical appliances.

PREVENT A FIRE—HELP SAVE A LIFE—SAVE A HOME

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EASTERN DEPARTMENT • PHILADELPHIA
OFFICES IN PRINCIPAL CITIES
COAST TO COAST

Sees Necessity of Adjuster Being Psychologist

From Thos. J. English, adjuster in Merchants Exchange building, St. Louis.

I have read with interest the article in your Aug. 21 issue by George M. Blum.

I feel that I must, out of pure necessity, express my views, some of which do not quite coincide with those expressed by Mr. Blum. I have spent more than 30 years in the adjusting business, practically all of which has been in the independent adjusting field. Over that period of time, I have, out of necessity, absorbed many of the shocks and difficulties with which all adjusters will have to cope when in business for that length of time. As I have represented, during my entire career, the better class of business, I feel that I am in a position to speak intelligently on the adjuster's side of the business.

Spotlight on Independent

In the first place, there are no adjusters in business anywhere near that length of time, who do not have a reputation both for honesty and ability. Their lack of either of these qualifications would eliminate them from the field in only a short period of time. The independent adjuster is naturally at a disadvantage because he operates in a certain territory and his failure in that territory would mean that he would be out of business. If the same condition existed with the bureau adjusters, they could be transferred to other territories and begin life anew, so to speak. However, it is my belief that any and all mistakes made by adjusters are mainly circumstantial and not due to lack of intelligence or integrity.

During my entire adjusting career, I have never been approached by an agent for the purpose of dictating the adjustment of a claim. Practically all agents seem to be satisfied with prompt service. In my territory, many of the agents are on a contingent basis with the insurance companies and are naturally interested in paying only the proper amount of the loss, because to pay more is, to a certain extent, a cut in their income. The only time an agent complains is when a good client complains of the lack of proper handling of their claim and which I have found in the majority of cases is usually the result of a clashing of personalities, rather than the amount offered in settlement. In other words, if properly approached, an assured can always be satisfied with a reasonable adjustment of his claim.

My experience has been that where a good client makes a complaint to his agent, that the agent will then in turn write the company; whereupon the company often gives definite instructions to get together with the agent and assured and settle to the satisfaction of all concerned. Quite often, we are not even given the opportunity of expressing our views on the disagreement. With this thought in mind, it is up to the adjuster to be very careful to eliminate as many disputes as possible before they reach the company and at the same time endeavor to settle the loss at a figure which the adjuster is satisfied as proper. This requires that the adjuster not only know his subject but be a good psychologist.

In my opinion, the actual adjusting of claims is a specialized business, entirely separate from underwriting, as well as home office management of the claim department. The adjuster who actually contacts the assured is the key man in the claim situation. The claim supervisors should pass on items that refer to the policy of the company, that is, the policy methods agreed to by the executives of the company and to pass on questions put to them by the adjusters for guidance purposes. The rest of the adjusting routine should be left up to the adjuster in the field.



WHO WINS AMONG YOUR CLIENTS?

Business men argue far into the night on the respective merits of partnerships and close corporations. But there's little room for debate on one aspect; both forms of organization need business life insurance. And both merit the best possible insurance service.

Here's a way to earn large additional premiums and commissions from these important clients — and at the same time give them additional service they'll appreciate; service that will tie them even closer to your agency.

In either a partnership or a close corporation, if one of the members dies it creates a serious problem for the survivors. Will a widow expect an income without doing the work? Or will she want to help run the firm without knowing how?

The right answer is an agreement to sell the business to the surviving members for a fixed price. The purchase money comes from life insurance.

The survivors gain full control of the business; the widow gets cash or a life annuity for her interest.

Conditions and agreements differ widely among the many close corporations and partnerships that are your clients. They'll like your help on this vital matter — help you can give with the aid of the Connecticut Mutual Life Insurance Company. This fine company has been working closely with thousands of fire and casualty agents and brokers for many years.

You can find out about this source of additional business among your best clients from two booklets published by the Connecticut Mutual. One is entitled "The Value of Business Life Insurance to the Close Corporation," the other is called "Who Will Your Next Partner Be?" They're yours free of charge and without the slightest obligation. Clip the coupon and send for yours today!



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The Connecticut Mutual Life Insurance Company
Hartford, Connecticut

I am interested in business life insurance for my clients. Please send me, free and without obligation, the booklet(s) checked below:

() The Value of Business Life Insurance to the Close Corporation
() Who Will Your Next Partner Be?

Name _____ (Please print)

Street _____

City or Town _____ State _____

NU-4

COMPANIES

Pacific Western Fire Being Organized at Seattle

A new fire insurance company is being formed at Seattle by Ralph P. Bell, president Western General Agency; Leo J. Brand, adjuster; Mrs. Oliver M. Bell, who operates the Bell & Co. general agency, and several Seattle business men. Articles of incorporation were filed at Olympia. The title is Pacific Western Insurance Co.

Fire and allied lines will be written and later the capital will be enlarged to expand into casualty and auto fields. The Washington insurance department forwarded the articles to the secretary of state.

The company will have \$250,000 capital and \$100,000 surplus, with 2,500 shares of stock of \$100 par.

Mr. Bell will be president, Mrs. Bell, vice-president, and Mr. Brand, secretary-treasurer. Head offices will be maintained at 909 Joshua Green building. Other incorporators are F. J. Gleeson and F. R. Amendes, Seattle business men; and R. F. Brown, president Teachers Insurance Co.

Security to Des Moines

Security Fire of Davenport has moved its executive offices to the Hawkeye

Casualty building, Des Moines. Security recently was purchased by George Olmsted, chairman of Hawkeye Casualty, and his associates.

Corporate offices of Security will remain at Davenport and a service office also will be maintained there.

Transfer of the main office to Des Moines will permit better operating efficiency, economy and provide agents with benefits accruing from group company operation, Mr. Olmsted said.

Hanover June 30 Figures

Hanover has issued a mid-year statement, showing assets \$31,372,999 which is an increase of just about \$1 million from Dec. 31. Premium reserve is \$13,266,640, which is an increase of about \$1,800,000. Capital remains at \$4 million, voluntary reserve is \$500,000 and net surplus is \$5,726,414. Policyholders surplus is thus \$10,226,414 which compares with \$11,915,693 at Dec. 31.

South Carolina in Va.

South Carolina of Columbia has entered Virginia to write fire and allied lines. This is one of the Seibels, Bruce & Co. companies of which John C. Eley of Richmond is special agent.

Roland H. Lange, special agent Hartford Fire, addressed an evening meeting of the Dexter (Mich.) Kiwanis club on "Basic Aspects of the Fire Insurance Business."

MARINE

Rate Increases Are Imposed on Bailee Risks

Although inland marine people are generally still production minded and are not trying to dam the flood of premiums as are the fire insurance departments, nevertheless they are taking advantage of the present situation to improve their classification of business and are seeking to get unprofitable or borderline business on a paying basis.

Most of the inland marine underwriters today are taking a negative attitude toward trucking risks and they are constantly campaigning to get increased amounts of insurance under the personal property floater. They are combing through their bailee risks assiduously and rate increases are being firmly insisted upon.

Cleaners and dyers are getting particularly close attention. Burglary losses are prevalent in such establishments, apparently because of the very active second hand market. The underwriters say that while the charges of cleaners and dyers have been increased and this has produced a premium increase nevertheless the higher charges have not been proportionate to the increase in values of the articles that are exposed to loss.

NEW YORK

INSTITUTE COURSE SYLLABUS

Insurance Institute of America has released a syllabus describing its correspondence courses for the 1947 school year. The courses are offered by many insurance societies throughout the country and also can be taken on an independent basis. Examinations are conducted and institute credit given to those who successfully complete the work. The office of the institute is at 80 John Street, New York, 7.

An Insurance Accountants Assn. luncheon will be addressed by John R. Berry, president of Corroon & Reynolds, Sept. 11 at Hotel New Yorker. He will discuss "The Insurance Accountant and Insurance Rates."

CHICAGO

BRESNIK FIRM MOVES

The Earle Bresnik & Son insurance brokerage office of Chicago has moved to new quarters in A-620 Insurance Exchange. Mr. Bresnik has been in the business 30 years having started as an office boy with L. A. Rose & Co. The son who is associated with him is Richard Bresnik who has been in the business about 1½ years.

LOSS GROUP RESUMES

Western Loss Assn. has scheduled its first meeting of the fall for Sept. 17. In the past the first meeting has not been held until October.

W. E. Lord, Cincinnati, president of W. E. Lord Company, sustained an estimated \$20,000 fire damage to his home there. Most of the roof will have to be replaced and \$2,000 damage was done to furnishings.

William A. Roderick, superintendent of the claims department of Bankers Indemnity, Cleveland, suffered a fractured skull, broken fingers and shock when the automobile in which he was riding collided near Solon, O., with a truck. His companion, Woodrow Russell, driver of the car, was killed.

McCormick Retires, Froehner, Warnemunde Man Iowa Field

Ralph V. McCormick, American group state agent for Iowa (except western Iowa) since 1912, has retired and has been succeeded by W. Harold Froehner, special agent since 1942. Mr. McCormick joined American Group in 1911 and is being honored on Sept. 4 with a dinner tendered by the western department.

Fred Warnemunde, Jr., has been named special agent to assist Mr. Froehner. Mr. Warnemunde has had agency experience at Lexington, Neb.

New Compact Extinguisher

Armand Demott, who developed the light-weight flame thrower used during the war, has invented a pint size carbon tetrachloride extinguisher which operates by air pressure. The extinguisher is produced by Amity Manufacturing Corp., Perth Amboy, N. J. It is particularly designed as a home fire extinguisher, weighs three pounds fully loaded. Demonstrations of the extinguisher's use were given recently before a group of Hartford insurance men. Early in September the G. Fox department store in Hartford will start a sales campaign for the extinguisher at Hartford.

Cavers Takes Over Agency

Walter D. Cavers, owner of the Morse agency, Antigo, Wis., for the last two years, has acquired the Hugunin agency from H. E. Hugunin. Mr. Cavers formerly operated a local agency under his own name at White Lake, Wis., but moved it to Antigo when he acquired the Morse agency. He will combine the three agencies under the name of the W. D. Cavers Agency, with headquarters at 527 Clermont street, his present office.

The Hugunin agency was formed in 1887 by the late William Petersen, and the Morse agency in 1900. The combination will make the Cavers agency one of the largest in Antigo. Mr. Hugunin will remain with the agency.

Adjuster Scott in New Office

Harold C. Scott, independent adjuster of El Dorado, Kan., has moved to new offices in the Citizens State Bank building there. He formerly was associated with Western Adjustment at Wichita.

Still Have Trouble with Glass

Automobile glass breakage claims continue to give the companies trouble. Some underwriters and loss men feel that companies will have to restrict their payments on such losses and perhaps insert a deductible in the policy form. The standard form says that glass breakage will not be covered if the breakage is due to wear and tear. Claim statements say that breakage is due to collision but the basic cause of much of the breakage is not collision but wear and tear, or poor quality of the material used, and as such is not covered. The work involved in processing a petty claim frequently costs the company as much as the claim does.

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For many years Atlantic, originally a marine insurance company, has been engaged in broadening the scope and variety of its insurance services. Today Atlantic offers the diversified facilities of 3 companies, writing marine, fire, inland transportation, yacht, property floaters, automobile, liability and casualty insurance. We are gradually extending the territories in which these facilities are available. Ask any agent or broker placing business with the Atlantic Companies about our financial strength, friendly cooperation and efficient service—including the prompt, fair and ungrudging settlement of claims.

ATLANTIC

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Automobile, Liability and Casualty Insurance

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American Makes La., Tex., Cal. Changes

Louis Schneider, special agent in southern Louisiana for American, has been recalled to the home office as assistant in the management of the underwriting department.

Fred H. Adams, who has been special agent in northern Louisiana, becomes state agent, taking over the field formerly under Mr. Schneider's jurisdiction in addition to his former territory.

Mr. Adams will retain his present offices at Shreveport and will be assisted by Special Agent Edward O. Kennedy, who joined American in 1939 after studying at Drew University, Madison, N. J. He served as a paratrooper during the war. Since then he has been in the underwriting department at the home office.

J. Gilder Levey, formerly special agent in southeast Texas, has been appointed manager of the southern California service office at Los Angeles. Mr. Levey joined American in 1944, as a special agent. His previous associations were with Republic and with T. A. Manning & Sons.

Special Agent C. Wilbor Cecil, formerly in northeast Texas, assumes the territory lately under Mr. Levey's supervision with headquarters in the West building, Houston.

Replacing Mr. Cecil in northeast Texas will be Special Agent Bill Johnson, who will also continue to supervise northwest Texas with headquarters in the Gulf States building, Dallas.

Mich. Preventionists Meet

A meeting of the officers and executive committee of the Michigan Fire Prevention Assn. was held at Lansing at which plans for the ensuing year were formulated and tentative dates were arranged for inspection of Fremont, St. Louis, Sturgis, Holland, Kalamazoo, Adrian, Port Huron and Lansing.

The executive committee will consist of F. W. Buschlen, Firemen's; W. S. Byler, Fireman's Fund; Don A. Cameron, Jr., Phoenix, Eng.; W. D. Cameron, Boston; R. W. Douglass, Agricultural; Robt. E. Foster, Michigan F. & M.; Samuel Gray, N. Y. Underwriters; Thos. J. Howarth, Camden; Geo. E. Kelly, Travelers Fire; C. B. Kingman, Planet; J. E. McEvoy, Security; Leo B. Miller, Bankers & Shippers; A. B. Paulsen, Continental; Fred H. Pierson, American; Elmer E. Sademan, Agricultural; E. C. Saulcy, Great American; W. L. Schreiber, National Union; W. J. Seelinger, National Liberty, and George L. Stone, National Liberty.

Century Advances Two

The Century group in Canada has appointed Griffith J. Smart superintendent of the automobile and casualty departments in Canada. Ernest Teager has been named claims superintendent. These appointments follow the resignation of Percy Baird, who has been named secretary of the automobile and casualty department of British Columbia Underwriters Assn.

Planet Schedules Rallies

Planet has scheduled several regional conferences with its employes in the field. The first will be held at Boston Sept. 15-19. Then there will be meetings at Newark Sept. 22-26, Philadelphia Sept. 29-Oct. 3, and New York Oct. 22-31.

M. J. Pierce, educational director, is in charge of the meetings.

Ohio Mutual Men to Gather

Ohio Assn. of Mutual Insurance Agents will meet Sept. 10 in Findlay, Akron, Columbus and Dayton. Companies are cooperating with agents in putting on an educational program at each meeting. Robert White will be in charge at Akron; Robert F. Baldwin

at Dayton; E. F. High at Columbus, and B. F. Settz at Findlay.

Tait Agency Superintendent

Phoenix of Hartford has appointed Walter J. Tait agency superintendent at Hamilton, Ont. He will supervise hail and fire underwriting in the tobacco belt.

Joliet Outing Held

The Joliet, Ill., local board held its annual outing Ag. 28. The golf tournament was the main feature and handsome prizes were awarded. A luncheon was served and a banquet in the evening. Among the visitors were Shirley E. Moisant of Kankakee; E. Irving Fiery, associate manager Royal Indemnity and Globe Indemnity; J. P. Jana, superintendent of agents, Hanover, and R. A. Nelson, assistant manager Atlas.

Swedish U. S. Visitor

WASHINGTON — Axel Rorstrom of Stockholm, head of Swedish Fire Protection Assn., is touring the U. S. studying fire prevention methods. He was a visitor here last week, when he conferred with H. E. Hilton, U. S. Chamber of Commerce insurance department assistant manager, about the work of national fire waste council and activities in connection with national fire prevention week, with both of which Mr. Hilton is identified.

Ernest S. Coyne of the inspection department of Cotton Insurance Assn. has been awarded the prize of Insurance Library Assn. of Atlanta for making the highest average grade in the course in engineering and fire hazards. Mr. Coyne is a graduate of Georgia School of Technology, and is a war veteran.

Ocean Cargo Sought

(CONTINUED FROM PAGE 1)

\$10,000 worth of flint bound for China was stolen. This was apparently a highly prized cargo because the Chinese government had confiscated matches.

Marine underwriters notice that there is quite an increase in imports these days. These include such things as perfumes, laces and wines from France, linens from Italy and novelty jewelry and pottery from Czechoslovakia.

On heavy shipments of beef to Antwerp, for the Belgium government, the packers have been buying United States insurance.

"CUT THROAT" RATES

WASHINGTON—While complaint has been heard from government officials about "cut-throat" rates of marine insurance quoted on the British market since passage of the U. S. ship sales act last year, they do not advance any specific suggestion to remedy the situation under which the British market gets a considerable share of American marine business.

American Marine Hull Syndicate, which resulted from congressional legislation a generation ago exempting marine insurance from the anti-trust laws, is equipped to provide hull coverage on American merchant vessels up to \$3 million. This valuation is estimated as sufficient to cover any such vessel except high value passenger ships.

Owners of the latter can go to the foreign market for coverage in excess of \$3 million "maritime" says, or place their excess insurance with the commission, in case the latter holds a mortgage on the vessel, as it does on many American ships. However, some American ship owners prefer to insure in the British market because rates are lower, or for other reasons, it is said.

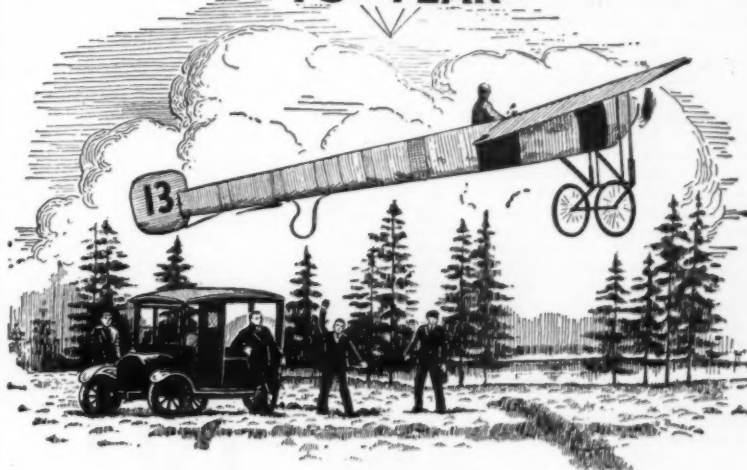
The maritime commission's insurance requirement that vessels chartered on a bareboat basis shall be kept fully insured by the charterer at the ship sales act price during the charter period, both as to hull risks and protection and indemnity, applies to vessels chartered under an amended program, which tightens the number of vessels available for bareboat charter, maritime officials say.

The commission's established insurance requirements will apply in connection with the sale of 10 vessels by the U. S. to Turkey for \$13,400,000, officials said, if sale is made on the installment plan. Marine insurance in such case must cover the amount of the mortgage held by the commission.

THROUGH THE YEARS



WITH APPLETON & COX



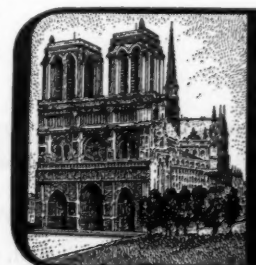
1911

FIRST AMERICAN AIR MAIL FLIGHT

It was on September 23, 1911, at Garden City, Long Island, that Earl Ovington was sworn in as "air mail pilot number one". Here Postmaster General Frank Harris handed him air mail which he delivered to Postmaster William McCarthy at Mineola, six miles away. Thus was inaugurated the first regular air mail service authorized by the Post Office Department. In 1918, the War Department lent planes and pilots to establish the first air mail route in the world . . . between Washington, Philadelphia and New York. In 1920 came transcontinental service between New York and San Francisco, planes doing the work by

day and trains by night. Four years later, this was changed to an all-air line when the installation of airway lights made night flying possible. Today, our planes carry mail and cargo to almost every important city in the world.

Since those pioneer air-mail days, Appleton & Cox has kept pace with the requirements of shippers and now furnishes Registered Air-Mail and Air Cargo Insurance for around-the-globe commerce, through its ever-increasing group of agents and brokers. Many post-war prospects will need such service.



THINGS THAT ENDURE..Through TIME.

NOTRE DAME—Famous Cathedral of France built on the small island of "La Cite". This beautiful edifice was started in the year 1163 and completed in the thirteenth century. It has been a haven of worship for more than 700 years.

The Northern Assurance was organized in Aberdeen, Scotland in 1836 as an Agency Company. It has remained so all-ways.

THE NORTHERN ASSURANCE CO. Ltd.

FIRE AND ALLIED LINES, AUTOMOBILE INLAND MARINE—REPORTING FORM—FLOATER CONTRACTS
NEW YORK • CHICAGO • SAN FRANCISCO



Start International Catastrophe Study

(CONTINUED FROM PAGE 7)

normal way, are, under present world conditions, beyond the scope of private insurance enterprise. Indeed it will be argued at the forthcoming Cannes meeting of the International Marine Insurance Union that in the event of a new major world war no government—victor or vanquished—can honestly guarantee its people full compensation in the event of war.

The present definition of catastrophe risks includes damage caused by peaceful release of atomic energy, but it is implied in the reservations made that when the subject has been studied and the monographs published it may be found that all such hazards may have to be excluded, not only its use in war but also the peaceful use of atomic energy, at least until such time as atomic energy has been brought effectively under human control.

At the present stage and in the absence of accredited delegations from some of the largest insurance markets of the world, the conference rightly limited itself to the setting-up of a bureau to study the problem in order to provide the necessary statistical data for an ultimate extension of insurance protection in this field. It is a long-term plan and no one present at the conference expected to see it carried into practice in the immediate future. It may possibly take 10 years or more to popularize the idea. But nothing new is ever achieved in this world without far-sighted men, who give lavishly of their time and energy to the study of such problems, as Señor Ruiz has done in this instance. At the final plenary meeting the assembly loudly applauded the proposal that Señor Ruiz should be charged with setting up a provisional and honorary bureau to study the problem of catastrophe risks and to report to another conference at a later date. The proposal was made by E. Merchan, the Colombian delegate, and was seconded by V. Ortega, the Cuban delegate, and carried with acclamation.

Practical Difficulties Overwhelming

At the moment the practical difficulties in the way of setting up an international catastrophe insurance and reinsurance organization are almost overwhelming. The world will have to settle down a good deal more before "clearing" and other difficulties can be overcome. That, however, does not detract from the merit of the Santander conference, which was strictly limited in its scope of setting up the machinery for the collection of necessary data. It is to be hoped that as many nations as possible will join in the humanitarian research work and whilst it is going on it is perhaps not excluded that a beginning may be made with bilateral agreements between some of the nations which are the more interested in the subject.

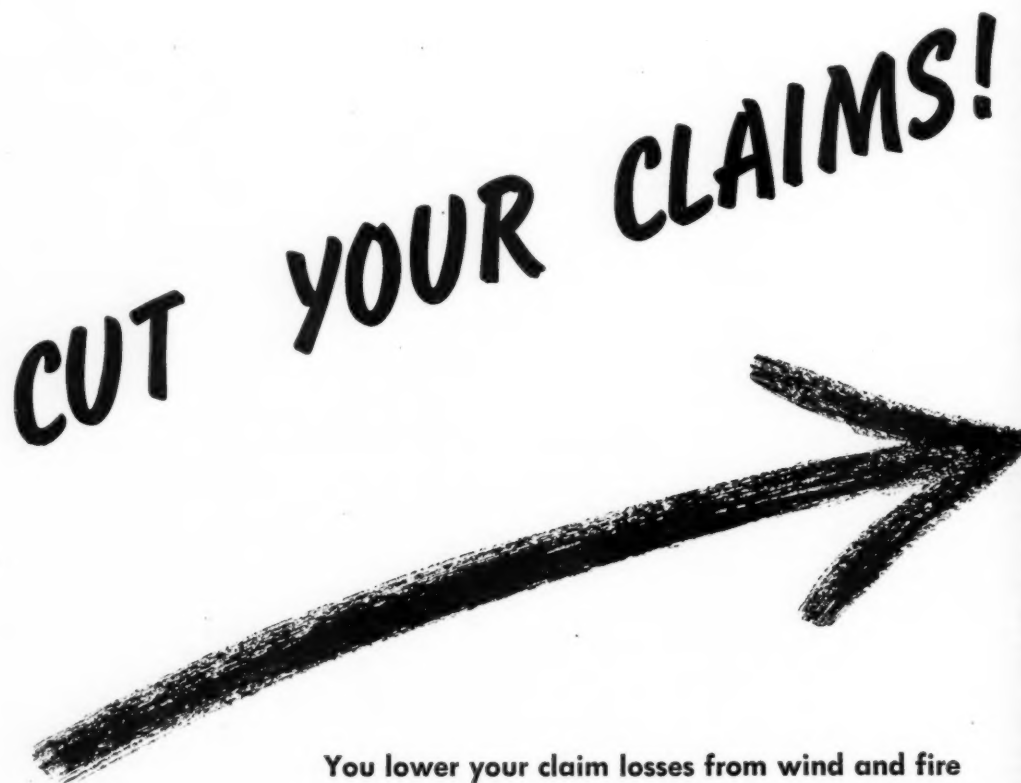
At the close of the last plenary meeting Señor Ruiz paid graceful compliments to the delegates, whose willing and unprejudiced support had made his task easy. The meeting concluded with a banquet at the Hotel Real, the scene

of the conference, at which the delegates from the various countries paid sincere tribute to the charming hospitality afforded by Señor and Señora Ruiz, and expressed their good wishes for the future of Spain and the Spanish people. On behalf of the foreign delegates Mr. Delaney presented Señor Ruiz with a silver tray engraved with the names of the participating countries and the signatures of the delegates.

At the final plenary meeting of the In-

ternational Assembly of Insurance Technicians held at Santander on July 30 the following resolution was unanimously adopted:

(1) The existence of the catastrophe risk is recognized. Consequently we recommend the study of the possibility of covering this risk through private insurance enterprise, as well as the practical steps which have to be taken to this end in order that insurance may become able to fulfill completely its func-



You lower your claim losses from wind and fire when you insure a building that's roofed with Ruberoid Tite-On Shingles. These windproof, fire-resistant shingles stay so firmly anchored that even hurricanes have failed to budge them! Tite-Ons interweave and interlock to form a roof that's there to stay.

Write Department "I" for an interesting free "demonstration" booklet which explains the wind resisting efficiency of Tite-On Shingles.

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Wash. Committee to Meet

The Washington Advisory Committee will meet with contact committees of the Washington Assn. of Insurance Agents at Seattle Oct. 10, Herbert Ryman, Great American, chairman announced. The Washington agents committee has been enlarged to five members and A. J. Peters, Issaquah, has been reappointed chairman. Other members are R. J. Martin, Spokane; Norman Walker, Longview; Austin Roberts, Walla Walla, and R. C. Jenner, Seattle.

Shift Blyth to Toronto

St. Paul Fire & Marine has transferred William D. Blyth, special agent at Winnipeg, to Toronto.

Franklin J. Pocquette of Chicago, western field manager of the Meserole group, and Mrs. Pocquette are attending the convention of Michigan Assn. of Insurance Agents at Mackinac Island. This is their first visit there since stopping on the island during their wedding trip 25 years ago.

Two veteran agents of Metropolitan Life, W. R. O'Hara and J. R. Linehan, have resigned to open a general insurance agency at Watertown, N. Y.

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Hartford ...
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Fire Insurance 1946 Results Are Analyzed in Close Detail

Stock companies suffered an underwriting loss of 1.4% last year on their fire insurance operations, according to a statistical study made by the New York department, based on fire insurance expense exhibits. This compares with the loss of 1.3% the previous year.

Net premiums written increased from \$614,214,747 to \$801,903,265 while premiums earned went up from \$563,380,771 to \$644,288,459. The loss ratio—incurred to earned—was 53.3 as compared with 53.1 the previous year and the expense ratio was 48.1 as compared with 48.2.

In the following exhibit, expense ratios have been adjusted so as to relate certain types of expense to written premiums in order to present more accurate results. Expense ratios do not include federal income taxes.

STOCK COMPANIES

(Underwriting Ratios)

(Expense Analysis)

	Net Premiums Written	Net Premiums Earned	Losses Incurred to Earned	Expense (Adjusted)	Net Gain (Adjusted)	Claims Adj. to Earned	Commissions to Written	Fld. Super. to Written	Gen. Admin. to Earned	Ins. & Bur. to Earned	Taxes or Fees to Written
Aetna	24,618,750	19,541,286	52.7	47.1	2.2	1.6	23.5	3.2	11.7	3.8	3.3
Agricultural	7,389,805	5,807,250	57.3	47.9	-5.6	2.7	28.6	3.3	7.4	2.4	3.5
Albany	614,000	523,731	51.7	45.9	2.4	2.1	21.7	3.4	15.4	2.2	3.1
Allemania	1,667,337	1,512,037	50.0	50.3	-0.3	2.5	29.8	2.1	10.4	1.9	2.8
Alliance	5,059,943	3,277,615	67.9	47.4	-15.3	2.9	24.4	2.9	10.5	3.4	3.3
Allied Fire	349,208	288,954	38.9	39.5	21.6	1.7	12.3	3.6	16.5	2.5	2.9
American, N. J.	20,492,366	16,924,076	49.5	44.9	5.6	3.1	26.0	2.6	7.6	2.6	3.0
American Alliance	2,835,535	2,224,679	57.1	47.5	-4.6	2.5	28.3	3.2	8.5	1.7	3.3
Aviation	451,587	317,109	34.3	40.1	25.6	2.9	-9.7	20.2	13.0	3.5	10.2
American Central	2,747,046	2,163,122	52.3	48.6	-9.9	3.0	23.8	3.6	11.5	2.7	4.0
American Druggists	449,310	439,637	40.9	29.8	29.3	1.2	4.4	1.7	14.5	2.2	5.8
American Eagle	6,940,515	5,025,535	42.9	47.7	9.4	2.9	24.1	2.7	11.8	2.7	3.5
American Equitable	9,735,701	8,448,537	55.8	50.3	-6.1	2.5	33.5	1.7	6.5	2.9	3.2
American Fire, Tex.	190,532	131,251	45.2	44.5	10.3	2.2	28.0	1.8	7.1	2.3	3.1
American & Foreign	1,779,071	1,367,215	57.0	49.8	-6.8	4.4	26.0	3.4	8.8	2.9	4.3
American Home	753,227	629,409	55.3	51.2	-6.5	2.7	29.6	3.7	9.4	1.6	4.2
American National Fire											
American Union	471,878	334,950	52.4	52.8	-5.2	4.1	14.2	2.4	12.9	6.3	12.9
Anchor	726,697	528,753	56.0	45.5	-1.5	1.7	26.2	2.5	9.4	2.8	2.9
Associated F. & M.	373,347	205,989	44.4	99.1	-43.5	5.2	22.4	21.7	33.1	5.0	11.7
Assurance of America	194,221	48,147	26.3	45.1	28.6	1.1	28.6	1.1	11.9	1.1	2.3
Atlas	3,246,376	2,772,471	51.2	45.3	3.5	2.2	21.1	3.9	12.7	2.2	3.2
Automobile	8,164,585	6,590,737	48.8	51.3	-1.1	3.4	21.4	9.3	11.0	2.5	3.7
Bakers Lloyd	12,697	11,911	101.7	65.8	-67.5	1.7	0	0	59.4	0	4.7
Baltimore American	2,400,210	1,954,023	57.2	48.9	-6.1	2.6	30.0	2.2	8.8	1.6	3.6
Bankers & Shippers	2,464,481	2,068,426	45.9	51.0	3.1	2.8	28.8	2.5	11.0	2.1	3.8
Birmingham, Ala.	818,016	719,216	51.4	43.0	5.6	1.9	30.9	1.1	5.8	1.5	2.8
Birmingham, Pa.	321,601	258,403	59.0	36.4	4.6	1.4	33.4	1.7	6.9	-4.9	-2.1
Boston	5,258,163	4,183,919	56.9	48.8	-5.7	2.0	23.7	5.0	11.9	3.0	3.2
British American	682,401	523,856	65.9	49.1	-15.0	3.0	28.2	2.9	9.4	2.4	3.2
British & Foreign Marine	1,000,728	769,059	56.8	46.4	-3.2	4.7	26.0	2.1	8.6	2.0	3.0
British General	392,558	307,533	52.4	48.9	-1.3	3.0	23.8	3.7	11.6	2.7	4.1
Buffalo	2,394,065	2,107,296	47.1	51.0	1.9	2.9	30.5	1.9	9.7	2.2	3.8
Caledonian, American	681,337	527,618	67.0	52.4	-19.4	3.1	32.8	2.5	7.9	2.8	3.3
Caledonian	2,348,380	1,945,600	62.9	54.2	-17.1	3.2	32.7	2.2	9.2	2.8	4.1
California	1,667,640	1,311,207	52.3	48.5	-8.8	3.0	24.0	3.7	11.5	2.7	3.6
Camden	6,962,902	5,390,011	52.3	45.6	2.1	2.1	25.2	3.6	8.9	2.7	3.1
Capital	555,960	427,254	57.0	48.6	-5.6	4.4	26.0	3.4	8.6	2.9	3.3
Carolina	859,898	702,343	57.4	47.5	-4.9	2.6	30.0	1.4	8.0	1.7	2.8
Centennial	270,137	206,416	58.0	47.0	-5.0	1	-3.4	0	40.7	5.1	4.5
Central Union	209,895	146,507	58.1	60.9	-19.0	4.1	8.7	3.0	20.5	7.5	17.1
Century	1,318,066	996,272	56.4	55.0	-11.4	2.2	36.2	1.9	10.2	2.1	2.4
Charter Oak	803,856	617,234	43.0	43.5	13.5	2.1	26.5	4.4	6.5	2.1	1.9
Church Properties	50,590	46,484	26.9	47.5	25.6	-7	-104.8	15.6	113.8	7.9	14.3
Citizens	308,186	564,796	67.9	41.0	-8.9	1.9	27.9	2.9	2.7	1.8	4.8
City of New York	1,955,624	1,593,940	57.4	49.5	-6.9	2.6	30.0	2.4	8.8	1.7	4.0
Colonial	652,078	330,066	62.0	50.3	-12.3	1.8	43.8	0	4.1	1.5	1
Columbia, Ohio	857,109	706,656	49.7	45.6	4.7	3.2	26.0	2.9	8.2	2.2	3.1
Columbia, New York	1,212,820	961,423	55.4	50.9	-6.3	3.0	25.3	3.3	12.2	2.7	4.4
Commerce	1,723,304	1,362,499	52.6	45.8	1.6	2.0	25.0	3.1	8.9	3.7	3.1
Commercial Union, Eng.	5,325,059	4,154,207	52.9	48.5	-1.4	3.3	24.3	3.5	10.9	2.6	3.9
Commercial Union, N. Y.	1,319,394	1,036,189	52.3	48.7	-1.0	3.0	23.7	3.7	11.6	2.7	4.0
Commonwealth	1,997,693	1,701,152	45.4	52.7	1.9	5.9	26.1	2.8	11.1	2.2	4.6
Concordia	1,896,932	1,498,630	48.2	47.5	4.3	4.2	24.4	2.4	11.2	1.8	3.5
Connecticut	6,256,098	4,968,355	51.7	46.9	1.4	2.6	25.2	3.9	9.1	2.3	3.8
Continental	21,300,552	17,694,184	54.8	41.5	3.7	2.6	24.9	2.3	8.1	1.6	2.1
County	751,918	585,562	59.2	29.9	29.9	2.3	12.4	2.6	7.9	1.4	3.3
Detroit F. & M.	1,315,876	1,028,876	58.9	46.2	-5.1	2.3	27.8	2.8	8.2	1.6	3.4
Dixie	428,555	353,328	49.7	45.9	4.4	3.2	26.0	2.9	8.1	2.2	3.5
Dubuque	1,412,095	2,316,513	55.0	48.6	-3.6	4.5	26.2	6.9	6.3	1.2	3.6
Eagle	642,994	588,223	59.8	53.4	-13.2	3.2	26.3	5.1	12.1	2.5	4.2
Eagle Star	-30	-30	...	...	...	...	...	...	...	...	...
East & West	1,242,886	966,359	57.6	47.3	-4.9	3.9	25.6	2.8	9.4	2.2	3.4
Emmco	218,812	212,187	85.5	47.8	-33.3	7.0	21.2	1.6	10.7	3.0	4.3
Empire State	1,847,451	1,451,812	57.1	48.0	-5.1	2.7	28.6	3.3	7.4	2.4	3.6
Employers'	2,362,663	2,184,209	55.8	48.1	-3.9	2.6	20.8	4.9	11.3	4.6	3.9
Equitable F. & M.	1,251,220	993,671	51.7	46.5	1.8	2.6	25.2	3.9	9.0	2.3	3.5
Eureka-Security	3,018,628	2,632,785	51.8	55.3	-7.1	3.5	29.2	3.1	12.7	2.7	4.1
Excelsior	577,371	425,396	56.0	-14.9	2.2	20.2	9.1	20.0	1.9	2.0	2.6
Export	28,932	26,470	17.9	-272.7	354.8	-6	-321.5	3.5	38.4	3.2	6.1
Farmers, Pa.	1,087,695	931,502	64.4	50.4	-14.8	2.6	28.9	3.8	8.2	4.2	2.7
Federal	2,028,888	1,291,704	37.0	46.4	16.6	1.6	26.4	-2	14.4	2.0	2.2
Fidelity Union	1,278,707	982,685	57.1	48.0	-5.1	2.2	26.0	3.6	10.0	2.9	3.3
Fidelity & Guaranty	4,874,463	3,648,157	46.0	42.4	10.6	1.7	21.9	3.5	9.7	2.4	4.2
Fidelity-Phoenix	16,323,909	13,522,976	55.2	41.6	3.2	2.5	26.4	2.1	7.3	1.3	2.0
Fire Association	9,739,181	7,598,101	55.2	50.0	-5.2	2.8	28.8	2.7	9.9	3.0	3.2
Fireman's Fund	16,249,706	12,687,464	51.4	47.6	1.0	2.3	24.8	3.2	10.7	3.5	3.1
Fireman's, N. J.	16,259,416	12,845,397	48.2	54.6	-2.8	4.2	31.5	2.4	11.1	1.8	3.6
Fireman's, D. C.	241,236	203,542	60.5	79.1	-39.6	3.7	27.9	0	39.8	3.5	4.2
First National	1,372,779	988,940	39.1	46.4	14.5	2.0	24.9	4.6	9.8	1.8	3.3
Franklin	7,709,688	6,338,052	57.6	47.8	-5.4	2.6	30.0	2.3	8.6	1.6	2.7
Franklin National	589,062	512,408	48.7	47.0	4.3	2.6	27.7	2.6	10.2	1.1	2.8
General	12,077,039	9,916,817	47.6	48.9	3.5	2.9	28.1	3.6	10.4	1.3	2.6
Georgia Home	1,015,219	833,143	56.9	49.1	-6.0	2.6	30.0	2.4	9.3	1.7	3.1
Gibraltar	1,318,395	1,089,308	58.1	49.6	-7.7	2.7	29.9	2.4	9.2	1.7	3.7
Girard F. & M.	1,880,082	1,490,955	42.2	47.8	4.0	4.2	24.6	2	11.2	1.8	3.6
Glens Falls	9,765,389	7,699,627	52.7	46.0	1.3	2.1	25.0	3.1	9.0	3.7	3.1
Globe & Republic	4,056,549	3,520,230	55.8	50.5	-6.3	2.5	33.5	1.7	6.5	3.0	3.3
Globe & Rutgers	3,654,954	2,712,909	54.3	50.2	-4.5	2.3	26.6	4.5	11.6	2.0	3.2
Granite State	2,256,968	1,804,428	52.3	44.0	3.7	1.8	22.7	7.9	6.7	2.0	2.9
Great American	16,303,791	13,032,311	52.1	49.9	-2.0	2.9	25.6	4.3	11.1	2.2	3.8
Great Eastern	81,163	65,635	45.2	48.2	6.6	2.2	20.0	2.9	18.0	1.8	3.3
Halifax	537,197	390,268	48.1	53.3	-1.4	2.8	29.1	14.5	2.9	1.3	2.7
Hamilton	156,460	164,922	48.6	50.9	.5	4.1	21.9	7	20.0	1.2	3.0
Hanover	7,809,113	6,079,417	56.6	48.5	-5.1	3.4	28.2	2.5	9.8	1.7	2.9
Hartford	42,950,444	33,212,270	46.1	44.9	9.0	4.0	24.1	3.0	9.1	2.2	3.3
Home F. & M.	3,587,597	2,801,128	51.4	47.7	.9	2.4	24.8	3.2	10.7	3.5	3.1

(CONTINUED ON NEXT PAGE)

Careless Smoking Held Primary Cause of Texas City Blast

WASHINGTON—"Carelessness of men smoking" is giving as the primary cause of the Texas City disaster in a report of a special government inter-agency committee released by Secretary of the Treasury Snyder. This part of the report covers hazards of transportation of ammonium nitrate aboard vessels. The second and third parts of the report, to be released later, cover hazards in land transportation of and the results of chemical and physical tests of ammonium nitrate.

"The principal hazard to guard against on board vessels is fire," said the committee's release.

"Each of the two explosions at Texas City was precipitated by a dissimilar chain of events. The SS Grandcamp explosion which occurred first, was the direct result of excessively high temperature and pressure caused by fire in the hold loading ammonium nitrate fertilizer and the subsequent failure to apply water, introduction of steam as an extinguishing agent, closing of hatches and sealing of hold ventilators.

The SS Highflyer explosion, 16 hours later, resulted from fire and the possible contamination of ammonium nitrate with sulphur. The Highflyer hatch covers and tarpaulins were blown off by the Grandcamp explosion. It is presumed that burning embers were later carried over the open hatches of the SS Highflyer.

"The most common hazard to ammonium nitrate fertilizer in marine transportation is fire involving combustible containers or adjacent combustible material that may be present in the hold. On both the Grandcamp and the Highflyer the fertilizer substance was contained in 6-ply paper bags and was dunnaged with both wood and paper in the hold. Under such circumstances fire may be caused

	Underwriting Ratios				Expense Analysis							
	Net Premiums Written	Net Premiums Earned	Losses Incurred to Earned	Expense (Adjusted)	Net Gain (Adjusted)	Claims Add. to Earned	Commissions to Written	Fld. Super. to Written	Gen. Admin. to Earned	Insp. & Bur. to Earned	Taxes or Fees to Written	
Home	55,920,906	46,092,364	56.3	46.7	-3.0	2.5	24.9	3.1	10.5	2.0	3.7	
Homeland	1,322,022	1,091,355	57.1	54.8	-11.9	4.5	32.2	1.3	10.2	2.1	4.5	
Homestead	1,096,007	902,226	57.0	48.0	-5.0	2.6	29.5	2.4	8.2	1.7	3.6	
Hudson	694,968	633,938	66.0	40.4	-7.4	3.0	34.0	1.7	2.4	1.2	2.6	
Illinois	446,036	314,740	51.9	44.4	-3.7	3.7	32.8	3.3	12.8	2.8	4.5	
Imperial Assur.	1,579,473	1,213,979	55.5	51.6	-7.1	3.0	25.2	3.3	12.8	2.8	4.5	
Ins. Co. N. A.	18,149,593	16,983,761	59.3	49.0	-8.3	2.9	22.7	5.5	12.0	2.4	3.5	
Ins. Co. State of Pa.	1,242,485	1,060,063	52.7	50.4	-3.1	2.3	35.2	.6	7.1	1.5	3.7	
Jersey	1,574,530	1,321,495	45.9	51.2	2.9	2.8	28.8	2.5	11.2	2.1	3.8	
Keystone Auto Club	22,462	14,024	26.2	67.5	6.3	9.2	4.7	2.7	45.3	2.2	3.4	
Lafayette	130,442	116,960	52.9	36.2	10.9	1.5	1.3	5.5	21.9	1.7	4.3	
Law Union & Rock.	628,652	599,511	50.9	47.0	2.1	3.6	20.1	4.3	11.4	2.9	4.7	
Lion	4,398	2,497	27.5	140.7	-68.2	2.5	55.1	0	83.1	0	0	
L. & L. & G.	10,452,362	8,035,441	56.9	50.1	-7.0	4.6	26.0	3.4	9.9	2.9	3.3	
Lloyds, N. Y.	55,281	52,649	76.7	-36.2	59.5	1.9	-120.8	0	54.6	.9	27.3	
London	3,371,247	2,575,429	57.0	50.8	-7.8	2.9	26.7	4.1	11.1	2.3	3.7	
London & Lane	2,816,972	2,828,580	53.4	46.3	.3	3.6	19.5	4.4	11.2	2.8	4.8	
Lon. & Prov.	-101,947	246,007	...	...	...	...	...	...	...	...	...
London & Scottish	387,648	337,014	55.0	49.0	-4.0	2.9	25.0	4.0	9.8	3.7	3.6	
Lumbermen's	1,509,561	1,177,031	55.9	50.2	-6.1	2.9	28.5	2.8	10.7	2.1	3.2	
Manhattan F. & M.	1,396,688	1,082,784	56.7	48.7	-5.4	3.9	24.4	3.8	10.6	2.3	3.7	
Manufacturers'	498,267	395,676	54.1	55.8	-9.9	4.3	22.0	6.6	14.8	3.0	5.1	
Mass. F. & M.	751,295	584,467	60.2	42.2	-2.4	2.3	24.8	2.6	8.0	1.4	3.1	
Mechanics & Traders	1,276,301	1,081,330	54.2	48.3	-2.5	2.9	27.7	2.6	11.3	1.1	2.7	
Mercantile	2,078,296	1,615,296	56.0	54.8	-10.8	6.8	26.7	2.4	12.2	2.2	4.5	
Merchants, N. Y.	4,034,829	3,080,070	47.3	49.2	3.5	2.1	33.6	.4	9.0	1.4	2.7	
Merchants, Col.	919,693	830,447	47.0	56.4	-3.4	2.5	36.1	2.0	9.8	2.3	3.7	
Merch. & Mfrs.	2,433,930	2,112,139	55.8	50.5	-6.3	2.5	33.5	1.7	6.5	3.0	3.3	
Mercury	3,112,332	2,392,163	56.0	40.4	3.6	2.7	26.2	1.8	5.0	2.1	2.6	
Michigan F. & M.	1,987,873	1,613,296	55.2	44.3	.5	1.8	25.0	2.7	8.0	3.7	3.1	
Millers Nat'l	3,375,978	2,909,497	52.2	49.4	-1.6	1.8	25.0	3.6	14.8	1.6	2.6	
Millwaukee Mech.	5,148,815	4,067,709	48.2	47.4	4.4	4.2	24.4	3.4	11.1	1.8	3.5	
Monarch	1,296,412	1,132,482	51.9	56.1	-8.0	3.5	29.1	2.2	13.5	2.7	4.1	
National Ben Frank	1,896,932	1,498,630	48.2	47.5	4.3	4.2	24.4	2.4	11.2	1.8	3.5	
National Fire	17,180,978	14,556,184	54.1	48.4	-2.5	2.9	27.7	2.6	10.9	1.1	3.2	
National Grange	73,422	75,731	43.2	-4.6	61.4	1.0	-14.5	0	6.4	.6	1.9	
National Liberty	7,646,044	6,255,328	57.6	48.4	-6.0	2.6	30.0	2.4	8.6	1.6	3.2	
National Surety Mar.	1,393	1,493	-7.7	35.7	72.0	1.9	21.6	1.1	10.0	0	1.1	
National Union	10,364,244	7,362,957	67.4	46.6	-14.0	3.2	26.2	3.8	8.0	2.3	3.1	
Netherlands	1,197,543	824,398	63.5	53.8	-17.3	3.5	32.8	1.5	10.4	2.3	3.3	
New Brunswick	1,952,196	1,596,614	57.4	45.5	-5.9	2.6	30.0	2.4	8.2	1.7	3.6	
New England	496,968	403,322	55.2	44.0	.8	1.8	25.0	2.7	7.7	3.7	3.1	
New Hampshire	7,234,391	5,474,648	55.1	45.3	-4	1.9	25.2	7.5	6.7	1.6	2.4	
New York	4,056,567	3,520,248	53.8	50.5	-6.3	2.5	33.5	1.7	6.5	3.0	3.3	
New York Underwriters	1,767,909	1,777,788	56.7	46.0	-2.7	2.0	27.4	4.9	6.3	1.6	3.8	
New Zealand	1,793,409	1,527,411	53.0	44.0	3.0	2.3	27.5	1.9	7.2	2.7	2.4	
Newark	4,109,872	3,175,268	57.0	48.9	-5.9	4.5	25.9	3.4	8.9	2.9	3.3	
Niagara	9,739,673	7,286,060	45.9	49.6	4.5	2.8	24.1	2.7	13.7	2.8	3.5	
North British & Merc.	6,652,275	5,182,773	56.5	51.3	-7.8	5.5	26.3	2.6	10.8	2.0	4.1	
North Car. Home	...	...	...	...	...	...	...	...	...	...	...
North River	6,448,529	5,366,228	49.1	48.5	2.4	2.4	26.6	3.1	11.3	2.2	2.9	
Northern, Eng.	4,510,115	3,925,413	53.8	48.7	-2.5	2.7	26.1	3.6	9.2	3.5	3.6	
Northern, N. Y.	4,366,169	3,564,279	50.8	54.5	-5.3	3.4	29.0	5.3	11.2	2.4	3.2	
N. W. F. & M.	607,241	687,226	58.0	42.8	-8	2.7	27.4	3.1	5.2	2.0	2.4	
N. W. National	4,897,871	3,946,058	45.1	54.5	.4	2.6	27.0	3.1	16.3	1.9	3.6	
Norwich Union	2,825,259	2,589,448	60.3	52.9	-13.2	2.9	25.0	5.6	12.2	2.7	4.5	
Ohio Farmers	2,752,438	2,310,960	46.9	52.1	1.0	3.4	26.2	7.1	10.2	2.4	2.8	
Old Colony	2,680,411	1,793,108	56.9	51.2	-8.1	2.0	27.1	4.2	12.2	3.0	2.7	
Orient	1,797,568	1,684,887	56.6	48.6	-5.2	3.8	20.6	4.5	11.9	3.0	4.8	
Pacific Coast	329,516	249,068	56.4	54.8	-11.2	2.2	26.2	1.9	10.0	2.1	2.4	
Pacific	2,806,770	2,355,706	45.9	51.1	3.0	2.8	28.8	2.5	11.1	2.1	3.8	
Pacific National	3,604,468	2,874,269	44.6	59.0	-3.6	2.6	29.0	3.3	17.4	2.8	3.9	
Palatine	919,986	720,788	52.5	48.8	-1.3	3.0	23.9	3.7	11.5	2.7	4.0	
Paramount	207,255	132,469	36.0	42.7	21.3	2.0	30.0	1.6	6.1	1.4	1.6	
Patriotic	1,010,827	817,552	58.2	47.2	-5.4	2.5	31.9	1.7	6.2	1.9	3.0	
Paul Reverse	1,176,245	963,762	57.0	49.1	-6.1	2.6	30.0	2.4	7.8	1.7	4.1	
Pearl	3,148,427	2,750,313	51.9	55.1	-7.0	3.5	29.1	3.1	12.6	2.7	4.1	
Pennsylvania	4,874,217	3,854,367	48.3	53.7	-2.0	6.6	24.7	3.3	12.5	2.4	4.2	
Phila. F. & M.	9,176,038	4,518,877	62.5	46.8	-9.3	3.1	26.1	2.2	9.3	3.4	2.7	
Phila. National	631,284	490,643	56.0	50.6	-6.6	2.8	28.4	2.8	10.8	2.2	3.6	
Phoenix, Eng.	2,895,566	2,737,762	54.8	47.6	-2.4	2.9	25.4	3.4	9.9	2.2	3.8	
Phoenix, Conn.	10,367,248	8,233,274	51.7	46.9	1.4	2.6	25.2	3.9	9.1	2.3	3.8	
Piedmont	2,151,667	1,559,296	41.2	42.6	16.2	1.6	33.0	.1	2.7	1.6	3.6	
Planet	207,737	52,515	48.5	156.3	-104.8	5.6	20.2	10.7	111.2	4.0	4.6	
Potomac	2,114,520	1,646,268	41.6	56.5	1.9	3.1	30.7	6.0	9.8	2.7	4.2	
Prov. Wash.	6,023,642	4,758,777	56.0	48.2	-4.2	2.0	28.4	2.7	9.2	2.8	3.1	
Provident	1,274,632	976,044	58.9	49.7	-8.6	2.9	34.0	1.8	6.9	1.4	2.7	
Quaker City	438,953	295,188	50.5	58.3	-8.8	1.8	33.2	.1	16.5	2.8	3.9	
Queen	10,788,146	8,361,086	57.0	49.0	-6.0	4.5	25.9	3.4	9.0	2.9	3.3	
Reliable	515,156	409,832	67.7	55.1	-22.8	3.0	31.9	1.8	12.8	2.8	3.8	
Reliance	1,007,325	784,878	56.2	50.3	-6.5	2.8	28.4	2.7	10.7	2.1	3.6	
Republic	3,012,830	2,537,571	44.7	56.9	-1.6	2.9	30.1	2.6	17.2	1.2	2.9	
Rhode Island	1,596,569	2,154,375	56.1	39.3	4.6	2.6	31.0	2.9	7.3	.9	-5.4	
Rochester	1,336,546	1,005,913	55.0	52.6	-7.6	3.9	27.4	3.1	13.3	2.4	2.5	
Rochester Am.	1,317,876	1,028,876	58.9	45.5	-4.4	2.4	27.2	2.8	8.2	1.5	3.4	
Rocky Mountain	201,821	151,330	47.5	47.0	5.5	1.7	19.8	1.8	18.5	2.5	2.7	
Royal Exch.	2,349,201	1,963,334	59.9	52.4	-12.3	3.2	30.3	2.9	10.1	2.3	3.6	
Royal	10,895,198	8,374,278	56.8	50.1	-6.9	4.6	26.0	3.4	9.9	2.9	3.3	
Safeguard	748,809	713,860	56.2	45.0	-1.2	3.8	17.2	4.5	11.7	3.0	4.8	
St. Louis F. & M.	318,018	265,703	29.9	52.3	17.8	4.9	32.5	1.8	5.7	3.2	4.2	
St. Paul F. & M.	9,381,293	8,092,763	50.1	47.3	2.6	2.0	21.2	6.9	10.7	3.2	3.3	
Scottish Union	3,570,292	2,923,358	55.4	48.0	-3.4	3.3	27.2	2.2	9.7	2.2	3.4	
Sea	631,562	399,840	36.3	46.8	16.9	1.6	26.4	-2	14.7	2.1	2.2	
Seaboard F. & M.	1,050,418	849,195	61.7	52.9	-14.6	2.1	26.2	3.3	13.1	4.1	4.1	
Seaboard	500,364	384,529	54.3	49.0	-3.3	4.5	26.0	3.4	8.9	2.9	3.3	
Security, Ia.	478,833	431,636	53.9	62.5	-16.4	4.7	26.4	6.7	16.9	2.8	5.0	
Security, Conn.	6,068,210	4,718,109	57.6	46.7	-4.3	3.9	25.4	2.8	9.3	2.2	3.1	
Sentinel	496,968	403,323	55.2	44.1	.7	1.8	25.0	2.7	7.8	3.7	3.1	
South British	234,572	197,625	71.6	42.8	-14.4	2.2	30.9	.9	3.0	2.8	3.0	
South Carolina	599,265	627,082	54.2	46.3	-5	2.3	42.4	0	.9	.5	.2	
Southern	864,368	637,722	41.9	49.5	8.6	3.4	24.9	2.9	13.6	2.1	2.6	

Underwriting Ratios

Expense Analysis

	Net Premiums Written	Net Premiums Earned	Losses Incurred to Earned	Expense (Adjusted)	Net Gain (Adjusted)	Claims Adj. to Earned	Commissions to Written	Fld. Super. to Written	Gen. Admin. to Earned	Insp. & Bur. to Earned	Taxes or Fees to Written
Union Marine	530,857	445,683	55.1	49.5	-4.6	3.0	25.4	3.4	11.1	2.5	4.1
United Firemen's	1,650,423	1,274,671	56.2	51.8	-8.0	3.1	25.4	3.4	12.6	2.8	4.5
U. S. Fire	12,350,965	9,886,303	48.0	48.5	3.5	2.7	25.2	3.3	11.8	2.5	3.0
Universal	555	3,635	52.5	38.9	8.6	2.9	6.7	0	4.7	3.3	21.3
Utah Home	1,634,664	1,087,641	57.5	44.4	-1.9	1.3	36.1	1	4.5	9	1.5
Vigilant	217,381	138,404	36.9	46.3	16.8	1.6	26.5	3	14.2	2.2	2.1
Virginia F. & M.	1,416,512	1,092,633	60.4	47.8	-8.2	2.3	25.3	2.9	10.2	2.6	3.5
Washington	206,917	138,536	44.2	49.6	6.2	2.7	33.4	1	7.5	2.5	4.2
Wash. F. & M.	318,018	265,703	30.4	52.6	17.0	3.9	32.5	1.9	8.4	1.7	3.4
Westchester	5,572,228	4,823,096	53.6	48.5	-2.1	2.9	26.1	3.7	10.1	2.1	3.6
Western Can.	1,329,278	998,334	58.2	46.9	-5.1	2.7	26.5	2.5	10.1	2.1	3.0
Western, Kan.	495,311	322,190	48.9	58.2	-7.1	3.2	28.6	1.1	18.1	2.1	5.1
Western National	1,266,211	988,633	51.4	47.8	8	2.3	24.8	3.2	10.8	3.5	3.2
William Penn.	882,615	857,942	46.8	61.9	-8.7	1.6	24.4	3.0	20.2	3.2	9.5
World F. & M.	1,984,763	1,547,970	44.2	44.5	11.3	1.4	26.7	1.9	7.9	3.2	9.5
Yorkshire	2,358,510	1,609,698	61.6	43.8	-5.4	2.2	20.3	2.2	11.5	3.6	4.0
Total 1946	801,903,265	644,288,459	53.3	48.1	-1.4	2.9	26.2	3.3	10.0	2.4	3.3
Total 1945	614,214,747	563,380,771	53.1	48.2	-1.3	2.7	26.2	3.5	9.9	2.4	3.5
Total 1944	572,261,622	527,935,368	51.6	48.7	-2	2.6	26.2	3.7	10.1	2.6	3.5

MUTUAL COMPANIES

Abington	\$ 316,618	\$ 286,594	46.7	36.4	16.9	1.8	21.9	0	9.3	2.3	1.1
Allied American	259,705	211,608	41.8	22.0	36.2	4.2	6.3	1	7.7	1.8	1.9
Atlantic	1,571,460	1,116,990	50.7	52.8	-3.5	0	22.4	0	25.8	1.8	2.8
Badger	913,767	735,983	43.1	53.2	3.7	3.0	16.3	5.5	20.0	3.2	5.2
Berkshire	725,281	699,328	40.7	31.7	27.6	1.7	13.3	6	9.8	2.7	3.6
Cambridge	836,900	630,812	40.7	38.8	20.5	1.5	26.2	1.6	5.7	2.3	1.5
Central Mfgs.	4,940,440	4,046,716	43.6	37.3	19.1	2.5	19.4	1.5	10.6	1.2	2.1
Cosmopolitan Mut.	17,622	6,707	20.4	67.4	12.2	1.6	-5.0	4.0	49.1	14.0	3.7
Dorchester	314,462	288,195	52.6	33.5	13.9	2.9	9.6	1.2	15.2	2.8	1.8
Employers	424,637	306,119	33.6	36.7	29.7	1.5	3	4.4	25.3	2.8	3.0
Farm Bureau	947,959	661,229	36.8	51.4	11.8	2.5	6.6	4.1	28.9	6.3	3.0
Farmers Alliance	980,007	833,927	39.2	47.8	13.0	3.2	26.3	2.0	13.5	4.9	1.9
Federal	582,004	505,082	48.1	41.5	10.4	2.2	15.2	1.7	15.6	4.9	1.9
Fitchburg	296,785	285,752	34.7	33.8	31.5	2.1	9.1	2.2	14.3	2.7	3.4
Grain Dealers	4,028,410	3,255,097	42.8	36.7	20.5	1.2	15.9	2.5	12.9	1.5	2.7
Hardware Dealers	5,630,521	4,828,898	36.6	35.2	28.2	2.1	0	20.2	6.8	3.1	3.0
Hardware, Minn.	4,080,338	3,761,053	36.8	33.7	29.5	1.4	5.2	8	21.1	2.1	3.1
Hingham	368,091	297,414	43.7	39.6	16.7	1.9	19.1	1.1	12.5	3.3	1.7
Holyoke	869,234	761,515	42.7	46.1	17.2	2.6	20.6	1.0	11.1	2.3	2.5
Indiana Lumb.	2,890,038	2,429,760	45.1	36.0	18.9	1.5	17.9	1.1	11.8	1.3	2.4
Lumber	1,540,597	1,417,411	46.8	37.1	16.1	1.6	12.6	6	18.3	1.8	2.1
Lumbermen's	2,293,589	2,019,746	44.4	39.2	16.4	2.4	19.8	2.1	10.8	1.7	2.4
Lynn	248,294	215,905	37.9	41.5	20.6	2.0	23.7	1.5	9.4	2.7	2.2
Merch. & Bus. Men's	599,828	537,293	29.5	59.2	129.8	1.1	-121.4	32.9	20.8	2.3	5.0
Merrimack	2,009,551	1,637,940	42.5	39.7	18.8	1.7	23.4	2.1	7.5	2.5	2.5
Mich. Millers	3,417,853	3,047,934	49.5	39.1	11.4	2.7	19.4	2.9	11.2	1.1	1.8
Mich. Retailers	125,942	134,665	50.9	34.5	14.6	2.2	19.4	1	11.5	1.0	3
Middlesex	993,091	869,414	37.3	39.3	23.4	2.0	23.7	1.4	7.4	2.6	2.2
Mill Owners, Ia.	2,440,768	2,218,707	48.4	38.8	12.8	1.6	20.8	3.3	8.0	2.2	2.9
Millers, Ill.	2,585,741	1,982,718	39.0	36.3	24.7	1.1	9.9	5.3	10.2	3.0	1.8
Millers, Pa.	804,635	715,668	39.1	43.4	17.5	1.2	18.8	4.1	15.4	1.3	2.6
Millers, Tex.	1,128,193	877,055	55.7	41.0	3.3	5.4	15.5	2.5	15.1	7	1.8
Mutual Implement	6,219,236	5,232,637	37.1	34.8	28.1	1.9	15.1	9	12.8	1.7	2.4
National Jewelers	78,508	75,488	60.3	47.3	-7.6	2.4	6	2	39.3	2.2	2.6
National Retailers	5,139,614	2,599,709	44.3	37.9	17.8	1.9	21.1	2.6	7.7	3.0	1.6
N. Y. Merch. Bakers	33,779	31,417	40.6	37.3	22.1	6	0	+2.0	27.9	4.4	2.4
Norfolk & Dedham	993,888	716,610	46.3	42.7	11.0	2.2	21.7	3.2	10.4	2.7	2.5
Northwestern	10,009,454	8,272,861	41.2	40.6	18.2	2.5	20.1	1.7	11.1	2.4	2.8
Oregon	1,558,244	1,349,833	41.1	35.4	23.5	2.1	7.8	4.6	15.5	1.1	4.3
Pawtucket	1,100,063	908,222	39.8	40.0	20.2	2.0	20.6	3.4	9.5	2.0	2.5
Penn. Lumb.	2,550,794	2,210,558	49.6	32.7	17.7	1.9	13.5	5	11.5	1.9	3.4
Penn. Millers	1,603,184	1,370,001	41.5	37.8	20.7	1.3	19.1	1.6	9.6	3.5	2.7
Quincy	1,853,134	1,413,461	42.3	36.8	20.9	2.2	21.1	7	8.7	2.3	1.8
Suffolk County	14,103	18,947	94.2	49.3	16.5	2.2	14.7	1.0	28.7	1.5	3.2
Traders & Mech.	763,590	588,006	49.8	38.3	11.9	1.7	19.2	1.6	9.4	2.7	2.7
Union	776,012	687,646	44.2	37.0	18.8	3.4	-3.0	2.6	24.7	3.3	6.0
United	4,485,801	4,236,505	40.7	27.3	32.0	2.1	1.8	6.5	12.3	2.5	2.1
Vermont	666,410	618,117	38.9	44.3	16.8	1.8	18.1	6	19.0	2.1	2.7
Western Millers	813,141	813,645	44.8	41.1	14.1	2.2	25.1	9	9.8	1.2	2.3
Worcester	796,370	694,103	48.2	26.4	25.4	2.3	-5.0	1.1	18.4	4.9	4.7
Workmen's	119,243	116,185	47.7	70.7	-18.4	3.6	—	3.3	55.2	4.4	4.2
Total 1946	93,655,642	79,726,245	43.0	38.0	19.0	2.1	14.9	3.7	12.4	2.3	2.6
Total 1945	78,774,374	73,102,090	43.1	37.7	19.2	1.8	16.4	2.4	12.4	2.1	2.6
Total 1944	71,911,725	67,580,351	43.4	37.0	19.6	1.8	14.8	2.7	12.8	2.1	2.8

FACTORY MUTUALS

Arkwright	4,692,672	3,910,554	19.7	12.7	67.6	.5	—	.5	5.2	5.6	.9
Blackstone	5,214,591	4,513,012	15.6	13.0	71.4	.4	—	1.5	4.4	5.7	1.0
Boston Mfgs.	9,406,471	7,849,146	24.3	13.9	61.8	.5	—	8	5.9	5.6	1.1
Cotton & Woollen	3,419,723	2,799,965	22.7	13.7	63.6	.4	—	2.1	4.7	5.3	1.2
Firen's	7,768,554	6,575,459	19.3	22.7	58.0	.4	—	—	16.1	4.8	1.4
Manufacturers	16,067,205	13,148,659	15.7	12.4	71.9	.4	—	1.1	4.5	5.2	1.2
Phila. Mfgs.	1,878,851	1,478,141	16.9	13.3	69.8	.4	—	2	8.0	3.2	1.5
Protection	2,322,195	1,953,105	14.9	15.9	69.2	.5	—	2.0	7.1	5.1	1.2
What Cheer	2,397,015	1,929,762	15.1	21.1	63.8	.4	—	1.8	12.1	5.3	1.5
Total 1946	53,167,277	44,157,803	18.6	14.9	66.5	.4	—	1.0	7.1	5.2	1.2
Total 1945	42,917,590	36,925,669	13.6	11.5	74.9	.1	—	.9	2.6	6.0	.9
Total 1944	40,078,271	35,108,294	14.8	12.0	73.2	.1	—	.8	5.6	4.4	1.1
Affiliated Und.	683,960	534,879	97.1	35.3	-32.4	2.8	0	0	28.0	.9	3.6

RECIPROCAL

Am. Exch.	256,156	210,094	18.3	49.7	32.0	1.5	0	0	44.7	.5	3.0
Canners Exch.	2,216,955	1,945,914	29.4	36.3	34.3	.1	0	0	33.5	.7	2.0
Fireproof Sprink.	34,748	36,740	23.7	86.5	-10.2	2.6	0	0	74.9	1.1	7.9
Individ. Und.	496,713	420,215	24.8	49.3	25.9	1.4	0	0	45.6	.4	1.9
Metropol. Inter-Ins.	342,021	267,895	31.0	56.7	12.3	1.0	0	0	51.8	.6	3.3
N. Y. Reciprocal	360,642	308,222	16.2	48.3	35.5	1.0	0	0	43.6	.5	3.2
Subs. at Rec. Exch.	598,723	551,785	47.4	33.4	19.2	1.6	.5	8.2	19.0	1.2	2.9
Und. Exchange	138,230	124,307	28.9	30.7	40.4	1.5	.6	4.4	18.9	3.6	1.7
Warners Recip.	782,498	701,715	31.2	38.5	30.3	1.1	0	0	34.3	.7	2.4
Total 1946	5,910,646	5,101,766	37.1	39.7	23.2	1.0	.1	.9	34.4	.8	2.5
Total 1945	4,945,054	4,757,978	37.2	32.2	30.6	.9	.1	.8	27.3	.8	2.3
Total 1944	5,262,953	5,046,166	40.9	32.1	27.0	.8	—	1.1	28.0	.5	2.4

ADVANCE PREMIUM CO-OPERATIVES

Canton	83,706	73,573	53.0	42.4	4.6	1.6	14.1	3.9	18.8	3.4	.
Co-operative	158,232	143,126	49.7	45.8	4.5	2.7	22.2	4.2	12.8	3.6	.
Dwelling Ins. Assn.	65,654	49,571	70.4	42.3	-12.7	2.4	26.5	0	11.6	1.5	.
Empire	262,749	222,828	61.3	43.9	-5.2	3.0	23.2	1.8	11.6	2.8	1.
Home	309,170	304,479	38.3	34.7	+27.0	2.4	9.5	2.0	14.1	3.2	3.

Underwriting Ratios

Expense Analysis

	Net Premiums Written	Net Premiums Earned	Losses Incurred to Earned	Expense (Adjusted)	Net Gain (Adjusted)	Claims Adj. to Earned	Commissions to Written	Fld. Super. to Written	Gen. Admin. to Earned	Insp. & Bur. to Earned	Taxes or Fees to Written
Livingston Co.	26,676	23,829	74.1	28.5	-2.6	5	19.6	0	8.4	0	0
N. Y. Central.	222,153	194,279	50.8	40.3	9.0	2.4	9.3	2.6	20.4	3.5	2.0
Olive Co-op.	122,550	102,928	41.9	45.2	12.9	1.6	16.6	7	23.1	2.8	4
Onelda.	92,781	70,237	51.4	44.7	3.9	2.0	21.9	12	16.3	3.7	6
Otsego.	166,332	130,405	56.2	41.2	2.6	2.0	20.8	7	15.3	1.7	7
Pioneer Co-op.	312,461	289,754	56.8	38.7	4.5	2.6	16.2	2.4	13.2	3.9	4
Preferred.	422,990	413,142	47.9	35.6	16.5	2.8	9.2	1.4	17.4	2.1	2.7
Security.	115,386	113,196	49.5	38.7	11.8	2.1	15.1	7	16.9	3.4	5
Sterling.	155,259	155,841	45.7	56.4	-2.1	3.7	33.7	1.8	15.1	1.6	5
Tompkins Co-op.	127,134	128,644	61.6	34.8	3.6	5.8	-3.0	5.2	20.2	5.7	9
Utica.	223,717	195,601	52.2	41.9	5.9	3.3	17.1	1.6	14.5	3.3	2.1
West Seneca.	4,750	3,470	0	48.7	51.3	0	23.5	25.2	0	0	0
Woodstock.	116,410	88,641	58.8	45.7	-4.5	1.2	19.6	2.2	22.5	1.9	2
Wyoming Valley.	170,189	153,467	56.4	37.1	6.5	3.2	11.6	2.2	15.9	3.7	5
Totals 1946.	3,148,599	2,857,001	51.7	40.8	7.5	2.7	15.6	2.0	16.0	3.1	1.4
Total 1945.	2,702,046	2,617,257	51.9	44.2	3.9	2.5	17.9	2.4	17.1	3.1	1.2

REINSURANCE COMPANIES

	Net Premiums Written	Net Premiums Earned	Losses Incurred to Earned	Expense (Adjusted)	Net Gain (Adjusted)	Claims Adj. to Earned	Commissions to Written	Fld. Super. to Written	Gen. Admin. to Earned	Insp. & Bur. to Earned	Taxes or Fees to Written
Am. Reserve.	3,443,913	2,931,819	55.5	46.0	-1.5	1.8	37.5	.3	5.4	.1	.9
Christ. General.	2,680,481	2,312,693	53.4	44.0	2.6	1.6	39.2	0	2.9	0	.3
Constitution Re.	1,382,266	1,170,203	53.6	49.9	-3.5	1.7	43.5	0	3.7	0	1.0
Eagle Fire, N. J.	444,952	562,809	64.3	48.2	-12.5	1.8	34.4	0	9.8	0	2.2
French Union.	415,614	311,169	68.1	44.1	-12.2	2.0	40.3	0	.6	0	1.2
General Security.	3,190,400	2,553,702	60.0	48.2	-8.2	2.2	41.1	.1	4.3	.1	.4
International.	1,808,954	1,698,106	63.7	40.5	-4.2	2.4	36.0	0	2.2	.2	-.3
Inter Ocean.	2,547,411	2,171,804	54.9	44.7	-4	1.8	37.4	.8	4.2	0	.5
La Paternelle.	87,038	81,675	59.4	43.0	-3.1	1.8	39.7	0	1.1	0	1.1
Metropolitan.	1,610,297	1,654,056	63.8	43.0	-6.8	1.7	37.9	.2	2.6	.2	.4
National Reins.	873,608	600,231	55.3	41.8	2.9	1.3	32.6	0	4.9	0	3.0
N. A. F.&M.	83,115	58,691	67.0	41.3	-8.3	2.2	40.1	0	-2.2	.1	1.1
North Star.	4,730,908	3,291,219	62.0	44.6	-6.6	2.1	38.7	0	3.2	.2	.4
Northeastern.	2,513,872	1,938,995	59.6	45.1	-4.7	2.4	39.4	.1	2.3	.1	.8
Prudential.	3,409,247	3,726,961	64.9	41.0	-5.9	2.1	32.7	0	3.0	0	3.2
Reins. Corp.	1,034,854	1,364,420	60.3	31.9	7.8	1.5	26.0	0	2.4	0	2.0
Skandia.	2,460,954	1,978,786	69.6	41.0	-10.6	2.3	32.8	0	3.5	0	2.4
Skandinavia.	1,412,701	911,615	65.9	45.3	-11.2	2.6	40.0	0	2.2	.3	.2
Swiss Reins.	16,570,789	11,710,463	66.8	42.5	-9.3	2.2	39.4	0	.6	0	.3
Union & Phoenix.	1,580,698	1,150,924	68.0	45.7	-8.7	2.4	43.1	0	.2	0	0
Unity.	881,690	630,997	75.4	46.9	-22.3	2.3	39.7	0	4.4	0	.5
Urbaine.	528,393	359,412	66.0	43.3	-9.3	1.9	40.2	0	.4	0	.8
Total 1946.	53,702,155	43,170,760	62.6	43.7	-6.3	2.1	38.1	.1	2.6	.1	.7
Total 1945.	40,731,154	37,508,223	64.9	42.9	-7.8	2.0	37.3	.1	3.7	—	.8
Total 1944.	37,322,472	35,941,109	66.2	43.8	-10.0	1.8	37.4	.1	3.1	.3	1.1

Gives Counsel on Insurance and Hotel Lease Contract

A chapter entitled "Provisions Relating to Insurance in the Lease Contract" is contained in a new volume "The Hotel Lease—a study of the business elements and principles involved in making leases that are equitable to both lessee and lessor." The author is Fred W. Eckert of the accounting firm of Harris, Kerr, Forster & Co., and the publisher is Hotel Monthly Press, 123 North Wacker Drive, Chicago.

The author states that in the course of a 10, 15 or 20 year period it is surprising how many hotel businesses undergo serious disturbances from risks that are ordinarily insurable. He thereupon sets out the types of insurance which he said should prudently be carried by the operator of a hotel business, these including fire and E. C., buildings and contents, sprinkler leakage, boiler and machinery, plate glass, various liability lines that may be covered under a comprehensive liability and property damage form, auto truck insurance, workmen's compensation, burglary, fidelity, forgery and U. & O.

Joint Agreement

The lessor should insure and bear the premium cost for protection of his property under lease, and the lessee should carry insurance on the furnishings and fixtures when these are his property. Insurable values and the extent of co-insurance should be matters of joint agreement.

Clauses in the policies directing application of proceeds to the restoration or replacement of the property destroyed will avoid the often recurring problem and dispute as to whether an adequate and true "restoration" has been effected. Restoration in such event is made to the extent possible to accomplish by the expenditure of the insurable recovery funds. In connection with old property, owners will often desire to retain the right to restore or replace the property, or to retain the insurance proceeds and permit the destruction of the property to operate as a cause for termination of

the lease. This poses the question of proper reimbursement to the lessees for damages and losses resulting from such termination.

Unquestionably where the lessor exercises such an option, the lessee is entitled to damages for the loss of a valuable business contract. The lease, therefore, should determine the formula for reimbursement of the lessee. The amount should be the equivalent of the fair price at which the lessee could normally dispose of his lease contract in the open market.

Basis for Reimbursement

A reasonable basis for an ordinary lease with eight years or more to run would be two times the average annual profits of the lessee, reducing down to 1½ times the profits on a five to eight year remaining lease term and one year's average annual profits on a remaining term of one to five years. These amounts should be estimated and stipulated in advance in specific amounts in the lease. If, however, the accounting determination at the time of destruction of the property is elected, then adequate accounting definition should be made of "average annual profits."

The condition is more likely to arise, however, where there is partial rather than total destruction of the leased premises. In such event the lessor should be obligated promptly to restore the damaged portion to the extent to which funds are made available through insurance recovery. Here is where the lessee becomes involved as to the amount of insurance and the extent of co-insurance by the lessor. It should always be stipulated that rental charges shall cease during the period the premises are rendered untenable or shall be adjusted for such part of the premises as are rendered unusable until complete restoration is effected.

Mr. Eckert speaks highly of U. & O. cover. He states it is one of the more desirable forms of insurance which is all too infrequently used. "The losses occasioned by stoppage of business are

always co-existent with the losses resulting from destruction of the business property," he writes. "If one risk is covered, properly, both should be covered. It should be one of the 'must' items required in the agreement, to be carried as a joint expense of the parties."

The option to terminate offers no genuine advantage to a bona fide lessee, the author states. Indeed, it imposes a disadvantage, for if such option is provided, it should equitably be exercisable by the lessor as well as the lessee. The option to terminate, without penalty compensation, if it is to be inserted at all, should apply only to the lessee where, through wilful delays on the part of the lessor, or through unavoidable causes, the premises are not or cannot be restored within a specified times—usually six months or thereabouts.

Gives Summary

The author summarizes the points touching on insurance that should be covered in every lease as follows:

1. Insurance coverage should be carried by the parties in accordance with their respective ownership interests in the property.

How Flood Insurance Is Provided in Switzerland

Prompted by a reference in an English insurance publication that a system of providing flood insurance had been developed in Switzerland, THE NATIONAL UNDERWRITER inquired of Swiss sources for further details, thinking perhaps the scheme might give some hint of possible adaptation here. The following illuminating letter was received from a prominent Swiss insurance executive:

"Long ago it was recognized as being desirable in this country that people who suffered loss from damage caused by avalanches, landslides, floods and so forth should in some way be compensated. Originally, the Cantons (which are similar to states in America) had set up funds to provide for payment of these losses. After this and a number of other solutions to the problem had been tried, the present arrangement resulted.

2. The amount of coverage and the extent of co-insurance should be agreed upon by both parties.

3. The policy should provide that any proceeds should be applied to the restoration of properties except as released by joint instructions of both lessor and lessee.

4. The party in whom ownership title vests shall be responsible for direction of expenditure of insurance recovery funds for restoration and replacement.

5. Rental payments shall cease for such part of the premises as are destroyed or rendered untenable, until restored.

6. Joint insurance should be undertaken for loss of income resulting through stoppage or disruption of business occasioned by fire or similar hazard.

7. If the lessor shall elect not to restore the premises, he shall have the option to terminate the lease upon payment to the lessee of stipulated damages for such termination as determined by formula based upon average annual net earnings of the lessee.

8. The lessee shall have the option to terminate the lease if by wilful delay on the part of the lessor or unavoidable causes, the property is not or cannot be restored within a specified period from the date of destruction.

Properly, Mr. Eckert went on to say, the lessee should be required to deliver to the lessor evidence of adequate public liability, elevator liability and boiler coverage.

Where state laws impose concurrent liability on the property owner as well as the lessee, as in the case of certain liabilities arising from liquor sales, the lessor is entitled to provide in the lease that the lessee shall cover these risks by insurance and deposit the policies or duplicates with the lessor.

In connection with other forms of insurance, the lessor has no direct interest or only the indirect interest of his lessee's financial soundness and preservation of the lessee's solvency. These would include such things as food poisoning liability, drug store, barber or beauty shop liability, workmen's compensation, burglary, fidelity, auto liability, forgery, loss of guest property, etc. These would not be matters involved in the lease contract.

Mr. Eckert strongly recommends that both the lessor and lessee jointly engage either independent insurance counselors or an agent or broker with qualified experience in the field of hotel insurance. This, he states, has become a field for the technical specialist. The services of a capable adviser may well be considered as of equal importance with those of a capable attorney in writing a lease. "The cost of insurance is never more, and will more often be less," he states, "when obtained through qualified specialized agents or brokers than through the ordinary broker who has no knowledge or experience in the specialized needs of the hotel business."

"Currently, the ordinary Swiss fire policy, usually insuring buildings and contents, also covers to a certain extent damages, called 'elementarschaden,' caused by the forces of nature. The policy covers loss from rock avalanches, landslides, snow avalanches, falling rocks, windstorms, high-water, inundation and hail. Coverage is limited in the case of buildings to 50% of the actual damage, but not more than Swiss frs. 10,000, and in the case of contents to 80% of the actual damage, subject to a maximum of Swiss frs. 15,000. The former carries a deductible of Swiss frs. 100., and the latter Swiss frs. 50. No extra charge is made for this coverage.

"For the small property owner this coverage proved to be quite satisfactory. Thus, the insurance is adequately fulfilled.

(CONTINUED ON PAGE 20)

tion in covering risks which at the present technical stage are generally considered uninsurable.

(2) Accepting at once the difficulty of formulating a concise and comprehensive definition of the catastrophe risk, which could serve as a basis, it is nevertheless possible to give now a provisional definition, with the qualification that this may be studied and perfected by the organizations of the countries which have participated in the Santan-

der conference and which have signified their adherence to the study of these problems, as well as of those countries which may ultimately join in.

Don't Obey Statistical Laws

In principle, one understands by catastrophe risks those risks which are produced by a generally extraordinary cause, arising from natural effects or conflicts between men, and affecting persons and/or property—risks which in

their immediate effect are of an unusual extent and volume, and which are not now of a predictable periodicity, and consequently do not obey regular statistical laws (according to contemporary scientific conceptions). Until now such risks have in general been excluded from the ordinary insurance policies as they are liable to cause a fortuitous loss so great that it exceeds in volume the capacity of the insurance market.

(3) It is understood that for the time

being risks resulting from armed conflicts are excluded from the researches contemplated above. As far as marine war risks are concerned these are excluded only to the extent that such risks are not covered through the ordinary channels of marine insurance.

(4) To permit the study of the possibility of covering catastrophe risks it is first of all necessary that insurers in all countries should proceed to monograph researches (historical as well as technical) into the catastrophes in their country and should report the result of their researches, which should be made according to a common plan. Research work will be requested from syndicates, federations of syndicates of insurance companies, or any other competent organizations.

Purpose of Bureau

(5) A provisional and honorary bureau shall be set up; it will be given the task of laying down the framework of the monographs (historical and technical), of co-ordinating these, and, as soon as there appears a possibility of insurance, establishing the basic principles of—

- Premium rating of catastrophe risks.
- Formation of security reserves.
- Geographical description of the risks and the establishment of the total amount of potential liabilities in each of the geographical areas.

The bureau will submit the results of its work to the forthcoming international assembly which will be convened for that end at a time and in a country determined after consultation of the supporting members.

(6) It is recommended that the insurance organizations in the countries which have already organized insurance catastrophe risks, or in those countries which intend to do so, should inform the bureau of their methods of operation, the agreements, and results obtained, that these may be transmitted to the various supporting organizations to establish, if possible, agreements which, by progressive extension of the geographical field of absorbing and distributing such risks, will permit the arrival at a general agreement.

It is understood that the covering of catastrophe risks implies a system of free insurance enterprise and that it does not call for any intervention whatsoever likely to impose on insurance undertakings liabilities exceeding their financial capacity and their technical possibilities.

Gregory Talks at Moberly

MOBERLY, MO.—B. G. Gregory, executive secretary Missouri Assn. of Insurance Agents and manager Insurance Board of St. Louis, spoke on Missouri insurance legislation at a luncheon meeting of the Insurance Agents Assn. of Moberly, Sept. 3. Out-of-town guests included: Robert Young, president Insurance Board of Jefferson City, third vice-president Missouri association; E. J. Boyce, St. Louis, membership chairman Missouri association, and V. W. McMonigle, special agent in eastern Missouri for North America.

B. C. Association Elects

VICTORIA — Fred Le Courteur, manager of Royal, has been elected president for 1947-48 of the British Columbia Underwriters Assn. Vice-president and chairman of the automobile committee is J. L. Robertson, Queensland; vice-president and chairman casualty department, R. B. Speers, General Accident of Canada; vice-president and chairman of the fire department, Charles V. Wakely, Home.

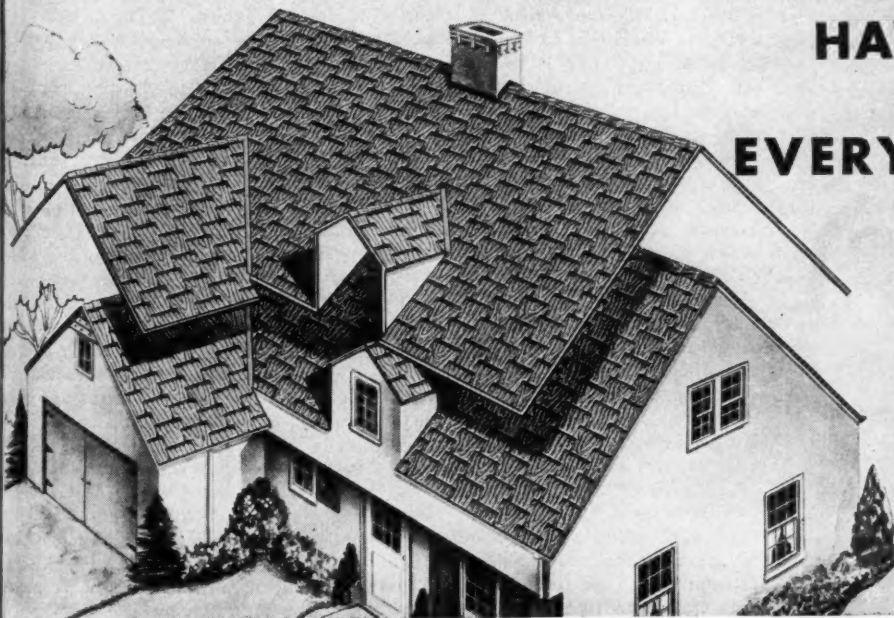
Reopens Florence Office

General Adjustment Bureau has reopened its branch at Florence, Ala., that was closed during the war. The office is in the Johnson building.

Paul Patton, formerly at Huntsville, Ala., has been appointed adjuster-in-charge.

THESE NEW SHINGLES

HAVE EVERYTHING!



EXCLUSIVE!

Concealed interlocking firmly links Tite-On Shingles into a "one-piece" roof. Hidden nails at four points securely anchor each shingle. No metal strips, holding gadgets, or exposed nails to rust away!

Complete Double Coverage • Wind- and Weather-proof Protection Modified "American" Shadow-lines • Popular Colors and Blends

List everything desirable in a roof—then check—the new Dubl-Coverage Tite-On Shingles have them all!

Ingeniously designed to interlock and interweave, these unique shingles form a roof that's virtually "one-piece." The worst storms don't blow Tite-Ons off or start them flapping! In addition, Dubl-Coverage Tite-On Shingles give you complete double coverage—two layers right over the entire roof area. Don't forget, these shingles are fire-resistant, as well. Add it all up—windproof, weatherproof, extra durable, fire-resistant—Tite-Ons mean real freedom from roof worries and expensive maintenance costs!

From an appearance standpoint, Dubl-Coverage Tite-Ons are just as outstanding. You have a choice

of rich colors and handsome blends. The smart basket-weave pattern adds to the attractiveness of any building, and the shadow lines have that clean-cut, "American" simplicity that's so popular with everyone.

The exclusive features of Dubl-Coverage Tite-Ons . . . made only by Ruberoid . . . cannot be duplicated in any other shingle!

For new construction, these Dubl-Coverage Tite-Ons give the maximum in protection, distinctive appearance and trouble-free service.

For re-roofing, Standard Tite-Ons are available. They provide the same interlocking windproof protection, but without full double coverage. They are designed specially for application over old roofs at a savings in cost.

MADE ONLY BY

RUBEROID

DUBL-COVERAGE TITE-ONS

EDITORIAL COMMENT

Two Sides to Every Question

There are always two sides to every question. This is borne out by the comments in the current issue, in which an able member of the New York bar takes exception to an insurance commissioner's reference to attorneys as discussed in a recent editorial.

The other side is that in appearances before insurance commissioners or any other government bureau, whether a man is guilty or innocent, he is appearing in a place that may be unfamiliar to him, under circumstances which are apt to fluster him, and he is often apt to make statements which prejudice his case.

Only the layman can decide whether he wants to be represented by counsel or not, but since there are likely to be two sides to any question brought before a governmental department or bureau, it is hardly within the province of the insurance commissioner to decide that the man or company or organization appearing before him does not need counsel and to imply that there is a prejudice against the layman's case

if he does appear represented by counsel. To say in advance that a matter has no legal aspects is assuming an omniscience even the most capable insurance superintendent is unlikely to possess.

Attorneys believe they can represent the interests of a layman better than he can before a judicial or administrative tribunal where the layman's interests may be in jeopardy. It is their business to know the client's rights and the limits of the tribunal's authority.

Governmental agencies under the New Deal did not like it when members of the public with whom they dealt were represented by lawyers. They had more success with the unrepresented client. Later on when he went to an attorney, his case frequently was so badly messed up that little or nothing could be done. Many of the governmental agencies under the New Deal preferred to pursue their own course and reach their own objectives without interference from lawyers who would have understood and protected their client's rights.

We Have Lost a Valuable Jewel

Perhaps most of us will agree that one of the weaknesses of our present day is the sad lack of people assuming and maintaining personal responsibility. Suppose a person takes a position. In days gone by, he would be expected to take much pride in his work, and would endeavor to magnify his position in such a way as to make a small contribution to the institution. He would feel that he had a very obvious duty to perform. He would not hesitate at all to reach out and take in more territory if necessary in order to make his position more useful. He had more than a job. It was essential work and he regarded it as an integral part of the institution with which he was connected. He felt that it was certainly his obligation to see to it that his work was well done and he was

ready to assume added responsibilities if necessary at any time.

We have lost much of that spirit. It is very unfortunate and is perhaps the cause of many of our present day difficulties. We are in what might be called the "get-by" period. That is instead of a person feeling a great responsibility for his position he only does enough to "get by." He feels the need of having something to do in order to get money with which to live. Therefore, he just does as much as would be required of him to keep the position but no more. He is on the lookout for a soft berth, for ways to make his job easier, but the old-fashioned days of doing more than was expected and taking a pride in doing more are gone. It is a magnificent jewel that we seem to have lost.

Agents Know Own Business Best

The theory that agents should be the leaders in the field of agency management, its study and development, seems too logical to require comment. However, when those responsible for the recent school at University of Connecticut began to devise a course and line up authorities to treat the various phases of the subject, one thing became apparent: In practice few

agency men are prepared to say what it is that they are doing and to teach others how they do it.

This does not mean that agents do not know how to conduct an agency business. There are too many successful agencies to say this. What they don't know is how to pass it along to others; or, perhaps, they have never taken the time to do so.

As the school was conducted it was evident that agents know a good deal more about agency management than anyone else. They know, for example, and this is one of the most important things to know, whether an idea or a practice or a piece of advertising will work. In the field of coverages, the company men speak with authority. That is their field, and they know it well. In the field of agency management, the agent should and does know what will produce results.

Perhaps he has been inarticulate about things that he knows. For example, he knows that some of the advertising and sales promotion of the

companies is ineffective because it reflects the institutional attitude, and an agency cannot sell business with it. The agent is advertising to secure action, while the company often is advertising to be remembered.

The idea behind the school at University of Connecticut—and it is to be repeated—is to train agents as leaders in their own field, that of agency management. These leaders then will take up the subject and the methods in their own localities. The result, it is hoped, will be to convince the agents that the problems of agency management are theirs to solve and that progress in the field is theirs to be made.

Brokers' Experiment Watched

Brooklyn Insurance Brokers Assn. is trying to establish a code of ethics for its members. They hope to devise a set of practices which will be equitable to both the policyholder and the company—and, we assume, realistic enough to do some good. The result of their efforts will be watched with interest.

One subject to be discussed is the question of petty claims. Should the broker inform the policyholder of every claim possibility no matter how inconsequential his loss? Should he discourage petty claims where he believes they have no legitimate basis? Under the producers' system of placing insurance, the company is always partly at the mercy of the producer. The writing of a deductible policy does not offer a satisfactory solution.

The brokers know policyholders better than the company does. Consequently, they bear a moral responsibility to see that the policyholder does not attempt to gouge the insurer. This does not mean that the broker should

neglect to inform his policyholder of his insurance coverage if the policyholder is entitled to reimbursement for a loss.

The answer for the broker lies somewhere between the viewpoint of the policyholder and the company, but each case should be decided on its merits, and the broker should not load the dice in favor of his clients. Too many people regard the insurance company as a soulless entity having unlimited resources. They have an attitude toward the insurer similar to that which many people have toward the government. In both cases, this is wrong. The policyholders and public pay for the losses and government expenditures, directly and indirectly. But the insurers cannot operate in debt as the government can.

Of course, there would be no insurance business if there were no losses, but no company can underwrite any line successfully and pay a lot of losses and incur expenses which are not contemplated in the rates.

PERSONAL SIDE OF THE BUSINESS

H. H. Moore who is manager at Raleigh, N. C. for the James C. Greene Co., independent adjusters, motored to Chicago with his family to visit old friends there. He was formerly manager of Underwriters Adjusting there. He went to White Lake, Mich. for a week.

H. A. Grider, manager of the western branch of Factory Association, returned to his desk this week after an absence of several weeks during which he underwent medical observation and got a rest. He is now feeling fit and is operating on a normal working schedule.

William Delaney, New York City reinsurance broker with Fairfield & Ellis, is flying to Mexico City for a week on business. While there he will also visit Vera Cruz and Monterrey.

John J. Kearns has retired last week after 34 years' service as traffic manager of the supply department of Travelers. He went to that post with Travelers in

1913 from the Adams Express Co. where as chief clerk he redistricted Hartford for the Interstate Commerce Commission.

Harvey B. Apperson, for several years a member of the Virginia corporation commission in charge of insurance, has been named attorney-general of Virginia, succeeding Abram P. Staples, who goes to the supreme court of appeals.

DEATHS

Alred C. Lindauer, 54, Madison, Wis., local agent since 1924 and member of the Keisler-Lindauer Agency since 1935, died at his home after an illness of a month.

Louis I. Millstone, 65, St. Louis broker for many years, died. Services were held at United Hebrew Temple, which he had served as executive sec-

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retary for 40 years. He became a broker with F. D. Hirschberg & Co. of St. Louis in 1926 when that agency absorbed W. F. Martin & Co., with which he previously had been an office broker for a number of years.

Alonzo T. Fruchte, associated with Western Adjustment in Missouri, died at his residence in St. Louis. He was past most loyal gander of St. Louis Blue Goose 1929-30, and had been a member of the pond since about 1920.

Ernest L. Burns, 51, local agent at Momence, Ill., died there. He served two years of his second four-year term as mayor of Momence, but retired this spring because of ill health.

Glenn M. Mendenhall of the Mendenhall, Iliff Bros. & Hauser local agency, Peoria, died at Methodist hospital at the age of 62. Funeral services were held Saturday. He was one of the best known local agents in Illinois.

Mr. Mendenhall was born at Noblesville, Ind., and went to Peoria in 1909. He was in the mail service until 1911 when he entered the agency business. He operated as an individual until 1923 when the present partnership was formed. He was a member of the board of elders of First Presbyterian Church and was a past president of the Kiwanis club.

Harry M. Miller, 86, retired local agent and banker of Seymour, Ind., died there following five years illness. He entered the insurance business in 1893, purchasing an agency that had been organized in 1869. When he retired from active business in 1941 because of failing health he was also president of the Jackson County Loan & Trust Co.

J. Louis Kohl, 75, prominent insurance lawyer at Cincinnati and counsel for Cincinnati Fire Underwriters Assn. many years, died there after a five month illness. Admitted to the bar in 1900, he became a partner of Harmon, Colston, Goldsmith & Hoadly in 1921 and was associated with that firm up to his death. He was a graduate of Ohio Wesleyan and University of Cincinnati law school.

Cameron Brown Goes with Father in Charge of Lloyds Operations

Cameron Brown, former managing director and vice-president in charge of R. B. Jones & Sons of Illinois, Chicago, has returned from about five years of war service in which he rose to the rank of lieutenant colonel, and has gone with his father in George F. Brown & Sons of that city to handle the London Lloyds business. He has just returned from London, where he spent six weeks at the headquarters of London Lloyds, refreshing himself on the coverages and arranging for general binding authority on a world wide basis for all coverages placed at Lloyds.

George F. Brown & Sons has represented London Lloyds ever since it started operating in 1916 and now represents Joseph Hadley and Son, brokers at Lloyds.

Cameron Brown in 1936 spent four months at Lloyds and was the seventh American to be permitted to work in the famous "Room" where the Lutine bell is located. In 1938-1941 he was with R. B. Jones & Sons at Chicago. He started there in 1937 with Schiff-Terrhune & Co., managing the Lloyds department.

Another son, Park, also is with his father. He was a major in the 100th infantry division and was wounded in the E. T. O.

The office Thursday will move into A1703 Insurance Exchange, where the space is four times as large as the old quarters.

Trucker's Cargo Cover Costs 1% of Revenue

WASHINGTON—American Trucking Associations, Inc., reports analysis by its research department shows class I motor carriers paid .95% of their gross

revenues for cargo insurance in 1946, compared with .96% in 1945. The figures are based on annual reports of 776 class I motor car common carriers which have \$100,000 or more annual gross revenue.

The carriers' reports to the interstate commerce commission showed they paid last year \$5,178,773 for cargo insurance. The ratio of cargo insurance cost to gross revenue has increased from .59% in 1941.

The analysis shows the same motor carriers made cargo loss and damage payments totaling \$6,845,000, or 1.25% of gross revenue last year.

Combined cost of cargo insurance and cargo loss and damage was \$12,023,000 in 1946, representing 2.2% of gross revenues.

A spot check survey by the association's freight claims section showed that shortages continue to account for more claims than any other single factor, during the first half of 1947. Claims from wreck or fire increased from 10.67% of the total in 1945 to 14.92% in 1946 and 14.89% the first half of this year.

McCluskey Boston Manager for Adjustment Firms

Wagner & Glidden and Toplis & Harding have opened a branch office in Boston at 40 Broad street and have appointed Daniel J. McCluskey as manager. He has been connected with the two adjustment firms for 14 years and has been trained in all departments in the Chicago head office especially for the post of branch manager. Previously he was connected with Fidelity & Casualty in Chicago as a claim adjuster.

The two adjustment firms now have four branches, in addition to Boston there being offices at New York city, Detroit and Los Angeles.

All facilities are being made available through the new Boston office and Manager McCluskey will build a large staff.

Security of Conn. Names Three New Special Agents

Security of New Haven has appointed three new special agents, David T. Tobin, Jr., in Michigan, William R. Cull in Missouri and James R. Patterson at Cleveland. All have been at the home office the past year.

Mr. Tobin will assist State Agent James E. McEvoy with headquarters at Lansing. He served three years as first lieutenant in the army air force.

Mr. Cull will assist State Agent Joseph C. Hupp with headquarters at Kansas City. He served two years in south Pacific as staff sergeant.

Mr. Patterson will assist State Agent Walter J. Weldon at Cleveland.

New Ky. Fire Marshal

LOUISVILLE—Insurance Director Wilson has appointed L. A. Demunbrun, of Brownsville, Ky., state fire marshal, a \$4,000 a year post, in which he succeeds Clyde Smith, of Barbourville, who resigned by request.

Demunbrun served in the 1946 legislature and has since been working as an investigator in the public service commission.

Plans for Ladies at Ill. Rally

The ladies at the convention of Illinois Assn. of Insurance Agents at Springfield will be taken the morning of Sept. 15 to New Salem for a luncheon at the Wagon Wheel. Then there will be a tour of this historic spot. St. Nicholas Hotel, Springfield, on Sept. 16, will be the scene of another luncheon which will be followed by a book review. Mrs. Ross Weller is chairman of the ladies committee.

Edward S. Shaw, director of E. W. Payne & Co., brokers at London Lloyds, has been visiting in Chicago on an American tour of several weeks. He stopped off in Chicago visiting Toplis & Harding and Wagner & Glidden, and also Chicago representatives. Mr. Shaw proceeded to San Francisco and will remain in this country until about Oct. 15, when he will take ship from New York for the return trip.

INLAND MARINE INSURANCE

Our Inland Marine Manual places at your finger tips all you need for selling inland marine business AND taking the order.

It contains sales suggestions that are of real value.

Our fieldman will be glad to demonstrate its excellence.

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Now—ask for QUICK AID FIRE GUARD instead of such famous old names as Red Star, Floafome, Alaskan, or Protector.

Only the name of GENERAL'S famous Fire Extinguishers is new! QUICK AID FIRE GUARD gives you the same quick action that you have always found in GENERAL'S Extinguishers, the same high quality, the same dependability backed by GENERAL'S 44 years of fire protection experience.

QUICK AID FIRE GUARD is available with the following types of extinguishing agent: vaporizing liquid, carbon dioxide, foam, soda-acid, and non-freeze.

There is a large increase in the entire third quarter. In the fourth quarter the tremendous increase took place. The first half of 1947 showed a big increase over the first half of 1947 but there is reason for believing—and in many companies for hoping—that there will be a decline for the last half, since nearly all of the 1946 increase was concentrated in the last six months of the year.

Premium Volume Decline in Next Six Months Seen

NEW YORK — Despite the fact that June still showed a good increase over June, 1946, in premium volume country-wide, beginning at about this stage fire company executives look for a period of little or no increase over the corresponding months of last year. It was about July of last year that the effect of the National Board's advertising campaign against underinsurance and the activities of the agents began to make themselves felt in a substantial way.

There are several factors pointing toward a decline for the last half of this year. There is currently no such upsurge in values as was occurring a year ago and previously. Much of the big increase in premiums in the last half of 1946 was on term business, as insured had plenty of money and were conscious of the possibility of rate increases resulting from well-publicized high loss records. Term business already on the books when the drive to increase insurance to value was on was increased, for the most part, by endorsement rather than waiting for the renewal date. This was particularly true of the larger accounts. Finally, there is no institutional advertising campaign to raise the question in the public's mind about the adequacy of its insurance.

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national air travel. More than 30 nations adhere to this convention, although only four of these countries are in the western hemisphere. Since the Warsaw convention was established in 1929, 11 other conventions have been held on different international air transport problems but none have been adopted yet.

C. R. DeMille Named Agency Head; Foot, Treasurer

SEATTLE—C. R. DeMille has been elected president of the C. B. DeMille general agency, succeeding the late William H. Marks, who died in April. The agency was founded by the elder DeMille shortly after the turn of the century. Argur A. Foot, with the general agency 28 years, was named treasurer.

New General Office at Idaho Falls

General Adjustment Bureau has established a new office at Idaho Falls, Idaho, in the Rogers building. Milford S. Merrill is adjuster-in-charge. He is a graduate of the University of Utah and has been with General since 1941, previously at Pocatello.

WANT ADS

Insurance Agency operating from Florida West Coast wants man capable of handling both casualty and fire insurance. Must have ability to write sales letters. This agency has customers in every state in Union and is the only exclusive agency of its type in existence. Replies must contain information and will be confidential. Address M-87, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED — SPECIAL AGENT TO TRAVEL VIRGINIA FOR STOCK INSURANCE GENERAL AGENCY

Excellent opportunity for right man with knowledge of insurance conditions in Virginia. The position will consist of traveling and office management with splendid opportunity for advancement. Salary commensurate with experience. Reply held strictly confidential and should be addressed to M-81, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

FIRE INSURANCE ASSISTANT to executive in Chicago. Should be personable, able and about 40 and have general knowledge of forms, rates and hazards. Some field work involved. Salary open. Opportunity for growth to capacity. Confidential. Address N-18, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY CLAIMS ADJUSTER WANTED Competent young man to operate independent adjuster's office in Northwest Florida. Write complete details giving qualifications and salary expected. Address N-15, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED Young lawyer, familiar with local courts in filing and appearance, answers and pleadings and one who is thoroughly familiar with insurance procedure. Good opportunity and salary. Old established company. Address N-14, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Adjuster for material damage losses wanted by mid-western automobile insurance company for Chicago and suburbs. Some previous experience required but need not be lengthy. Young man who is ambitious to develop into a casualty adjuster preferred. Give details in letter regarding age, experience, education, etc. Our employer knows of this ad. Address N-17, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

The NATIONAL UNDERWRITER

Complete for Classification Annual

Speak George Hocke

Plans for national Chicago, Mass., on September 10



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NATIONAL HOTELS

Superior, Wis., Insurance Survey Is Started

SUPERIOR, WIS. — An insurance survey of city coverage to adjust present valuations and amounts of policies and work out a master policy plan to avoid handling numerous policies and reduce expenses as well as premiums, is being undertaken by the city. The council recently authorized L. F. Ryan to make the survey and appointed him insurance-agent-in-fact so he would have access to city insurance records. Ryan opened his agency here Feb. 1, upon return from military service.

The Superior Board of Insurance Underwriters protested the appointment and requested that the board be authorized to conduct the survey as it represented most of the leading agencies, while Ryan was not a board member. After a heated council meeting the parties met and worked out a compromise agreement whereby the survey work will be allocated to the board and to Ryan. How the insurance will be placed when the more than 200 policies are consolidated, has not been determined.

Round-The-World Flights Pose No Insurance Problem

NEW YORK—A survey of aviation insurance groups and major airlines reveals that the globe-girdling commercial flights such as that recently inaugurated by Pan American Airways pose no special aviation insurance problems. Aviation insurance is written to protect the airline in any area of the world.

Aviation insurance companies are able to act on losses in far away countries such as the recent crash in Syria and others in Ireland and Newfoundland without much disruption of normal procedures.

Claims by insured traveling in foreign areas are generally settled in accordance with the Warsaw convention on inter-

Complete Program for Claim Men's Annual Parley

Speakers Include

**George Avery White, Lon
Hocker, Dr. Sprague**

Plans for the annual meeting of International Claim Assn. at Swampscott, Mass., on Sept. 14-17 are announced by the chairman of the program committee, John A. Blanchfield of Aetna Life.



R. A. Hohaus

The meeting will open Monday morning, Sept. 15, with an address of welcome by Lt. Gov. Arthur W. Coolidge, of Massachusetts to be followed by the president's address delivered by James N. Cunningham, legal officer of Crown Life, and the annual reports of the various committees. The first morning session will conclude with an address by George Avery White, president of State Mutual Life.

The social program as announced by the chairman of the entertainment committee, John W. Ayer of New England Mutual Life, will occupy the afternoon and will include the golf tournament at Tedesco Country Club and a tour of the historical north shore.

Three Addresses Sept. 16

A general business session is slated for Tuesday morning, Sept. 16, in the course of which there will be talks by Lon Hocker, Jr., of the law firm of Jones, Hocker, Gladney & Grand, St. Louis, on "Occupational Interpretation of Disability Clauses," and by Dr. Howard B. Sprague, cardiologist and president of New England Heart Assn., on "The Relationship of 'Coronary' Heart Attacks to Trauma and Strain." A social program for Tuesday afternoon will include a tour through the flower gardens near Swampscott.

The session Wednesday morning, Sept. 17, will be opened with an address by Reinhard A. Hohaus, actuary of Metropolitan Life, on "Social Insurance Plans and Developments" and will conclude with a general business meeting to be followed by election of officers. The meeting will adjourn Wednesday noon.

Sterling Takes Exception to Canadian Listing

Sterling of Chicago, having been listed by the Canadian insurance department as one of the companies that solicits business in the Dominion without being licensed, L. A. Breskin, president of Sterling, announces that he has informed Superintendent Finlayson of Canada that Sterling is not and does not intend to solicit and insure risks in Canada, and that its name should never have appeared as being guilty of the practice.

Mr. Breskin states that he has forwarded a statement at the request of Mr. Finlayson to the effect that Sterling has not issued any policies on the lives of residents of Canada for at least 10 years, and that it has no intention of doing so.

W. Robert Evans, Kansas City, manager of American Surety, has been appointed a member of the board of training schools for Missouri.

Freeze Out "Pot Hunters," Claim Men Advised

Policy of Paying Worthless Claims for Nuisance Value Is Scorched

Wayne Ely, St. Louis attorney, in addressing the annual meeting of International Assn. of Insurance Counsel at Spring Lake, N. J., strongly counseled insurers to put an end to the practice of settling worthless claims for their "nuisance values." Lawyers, who know the facts, but nevertheless present worthless claims, he characterized as "pot hunters." He said at St. Louis there are perhaps a dozen "pot hunters" some of whom live in luxury on "petty sums doled out to them by claim agents who seemingly do not agree that 'small sands the mountain, moments make the year.'" He said he has no desire to criticize zealous plaintiffs' attorneys, but was directing his remarks at the "pettifogger whose ability to get business may be attributed to his long-leggedness rather than to his long-headedness."

These "perambulating shysters," he said, wheedle a hundred dollars here and two hundred dollars there from claim agents "who operate upon the theory that sound business economy calls for the settlement of any claim, no matter how worthless or how fraudulent it may be, if a settlement can be effected for less than the cost of defense."

Good Business

Mr. Ely observed that insurers frequently will litigate a claim of actual liability where the demand is excessive where the chances are that the company will have to pay as much after trial as it would in settlement. If it is good business to resist a bona fide claim rather than pay the full value in settlement, then, he said, it is good business to resist a worthless claim rather than settle it at any figure. An unscrupulous lawyer, he said, will bring suit upon an utterly worthless claim if he knows that the insurer will pay a few hundred dollars to get rid of it. Such activity is confined to a few lawyers. One St. Louis lawyer has between 75 and 100 cases listed for trial at every term of court. There are five terms of court a year.

He expressed the belief that in St. Louis, not more than 10 lawyers file 90% of the trifling cases in which there is no liability.

Only an infinitesimal number of these cases are tried and he voiced the belief that the lawyer never has any intention of trying them. The same lawyer who will bring suit after suit against a company whose insurer recognizes nuisance values, never files suit against another company whose insurer will defend to the last ditch.

Insured Have Stake

Large insured, whose insurance rate is governed somewhat by experience, have a real interest in the attitude of the insurance company's claim department. One large chain store organization, he said, canceled its insurance because the claim department of the insurer pursued a fixed course of paying at least \$100 nuisance value rather than stand trial on any case. The insured protested against this policy to no avail, but when the insurer sought to collect an additional premium because of bad loss experience, the insured canceled the cover and established its own claim department. Within a year the claims against that company at St. Louis alone dropped from an average of 150 a year to 15 or 20, and the number of

July Traffic Death Toll Jumps 8%

According to the National Safety Council, July traffic deaths totaled 2,750, an increase of 8% over the same month last year. It was the third straight month that the death toll exceeded the comparable month of 1946.

The toll for the first seven months of 1947 was 17,230, the council reported. This was 1,200 deaths or 6% less than in the same period of 1946 due to large reductions in the first three months of the year.

On a mileage basis, the outlook is more favorable. The first six months showed mileage 11% over 1946 and 12% over 1941, the previous high year. Thus the mileage death rate (deaths per 100 million vehicle miles) for the first six months of 1947 was 8.1.

Diemand Urges Lower Credits for Term Policies

John Diemand, president of North America, has come out for downward revision of credits on term policies. The term principle, he said, should be preserved but the present credits he characterized as "unreasonable, unsound and probably unfair."

Mich. Agents Parley Under Way

MACKINAC ISLAND, MICH. — Meeting a day in advance of the general session of the annual meeting of Michigan Assn. of Insurance Agents, the nominating committee has slated Howard W. Huttenlocher, Pontiac, the present vice-president for the presidency.

Russell A. Bradley of Ann Arbor, incumbent treasurer, will move up to vice-president. Starting up the ladder as treasurer will be Leon J. McVoy of Grand Rapids. He has been a member of the executive committee for district 8. W. O. Hildebrand of Lansing remains executive secretary.

Walter B. Cary of Detroit, the retiring president, will become state director. More than 300 agents and families have registered.

Give Program for Parley of Counsel Federation

The program for the annual meeting of the Federation of Insurance Counsel to be held Sept. 18-19 at New Ocean House, Swampscott, Mass., is announced. Julian B. Humphrey of New Orleans is president. The speakers will be R. M. Nelson, Memphis; J. A. Gerber, New York; S. M. Hollander, Newark; C. G. Ball, Lafayette, Ind.; F. W. Hackett, Montreal; M. T. Pendergast, Boston, and G. H. Tyne, National Life & Accident, Nashville. J. A. Millener of Rochester is secretary.

Opens Boston Office

American Fidelity has opened an office at 40 Broad street, Boston, in charge of John M. Hughes, who recently has been with Great American Indemnity.

suits filed against it dropped from an average of 40 or 50 to less than three.

Occasionally, he said, an insurer that refuses to submit to a "shakedown" will "get a kick in the pants in a case it should win, but it is my opinion that the dollars lost in such cases would be far outnumbered by the dollars that would be saved by adoption of a program which would provide 'millions for defense, but not a cent for tribute.'"

Mass. Bonding Takes Steps to Add to Resources

New Stock Issue Would Produce \$3-\$4 Million

Stockholders of Massachusetts Bonding at a meeting Sept. 22 will vote on a proposal that observers believe would result in adding between \$3 and \$4 million to the capital-surplus resources.

The present par value of the shares is \$12½ and there are 160,000 shares, making the capital \$2 million. It is proposed to reduce the par value to \$5 and to give each present stockholder 2½ shares of new stock for each share of old.

Then the stockholders, according to the proposal, would be given the opportunity to subscribe to new shares in the ratio of one share of new stock for each four shares of \$5 par value stock that they would own after the conversion of the present \$12½ par shares into \$5 par.

Make Capital \$2½ Million

There would thus be sold 100,000 new \$5 par shares, which would increase the capital to \$2½ million. The price at which the new shares would be offered would be determined at a later date.

Massachusetts Bonding stock has been selling lately at a little above 80 and if this price holds the predictable offering price of the new shares would be about 30. At \$30 a share, the new issue would produce \$3 million additional resources. If the market should improve, a higher offering price would be in order, so that market observers feel that the plan should bring upwards of \$3 million new funds.

Massachusetts Bonding is the second company in the casualty field to secure additional financing in the market, Continental Casualty being the first. Last year it had \$20 million in premiums to \$13 million in policyholders surplus, which is regarded as a conservative ratio. Apparently the company is looking ahead, and is not merely meeting a temporary reserve situation.

Health Insurance Group Meets at N. Y. This Week

Conference Committee on Health Insurance is holding a meeting at New York Friday. This group includes representatives from about 10 organizations, the most recent to be admitted being Industrial Insurers Conference. The committee was organized some time ago by Ambrose Kelly, then of American Mutual Alliance but now assistant general counsel of the factory mutuals, as an instrumentality for dealing with the medical profession in connection with medical insurance plans.

Among the organizations represented in the committee are Life Insurance Assn. of America, American Life Convention, American Mutual Alliance, Assn. of Casualty & Surety Companies, Health & Accident Underwriters Conference, Bureau of Personal A. & H. Underwriters, Assn. of Life Insurance Medical Directors, International Claim Assn., National Fraternal Congress and Assn. of Life Insurance Counsel.

W. A. Millman of Equitable Society is chairman.

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Hope to Pull K. C. Insurer Through

JEFFERSON CITY—Mutual Commerce Casualty of Kansas City whose directors at a meeting attended by Superintendent Jackson, with his approval and apparently at his suggestion, voted to discontinue the writing of new business for the time being and sharply to curtail the renewal of existing policies, has been operating since March without a 1947 license, Superintendent Jackson has revealed.

Mr. Jackson said it is not unusual for a company to continue to write new business in the interim pending a renewal of its license but he indicated he regarded the very large volume of new policies issued by Mutual Commerce during July and August "as entirely too much."

Mr. Jackson said the Mutual Commerce license had not been renewed because a preliminary examination indicated that it was in need of additional funds.

The company largely corrected its financial problem by the addition of \$100,000 to surplus.

Mr. Jackson expressed the belief that the \$100,000 already contributed to surplus, plus the restrictive underwriting policy would enable Mutual Commerce to pull through. He said its condition will be better after it collects \$150,000 in agents' balances.

Expansion Too Rapid

The financial difficulties, Mr. Jackson indicated, stemmed large from a too rapid expansion of its business of writing private automobiles, taxicabs and long distance truck lines. The result was that its financial structure was being taxed to an extreme.

It is not known, as yet, whether a large number of the new policies were issued to former insured of Keystone Mutual Casualty.

As reported last week William D. Jackson has resigned as president of Mutual Commerce Casualty, and Robert W. Worth has been elected executive vice-president. A new president has not yet been selected.

M. H. Silverforb has been vice-president and secretary.

Outline Probable Rating Procedure Under Ind. Law

Members and subscribers of National Bureau of Casualty Underwriters have now been advised of the probable procedures to be followed under the Indiana rate regulatory law as it becomes applicable to casualty lines other than workmen's compensation Sept. 29. The revised law pertaining to compensation became effective July 1.

National Bureau will file manuals, rates and rules, rating plans and other data for members and subscribers in Indiana.

The Indiana law is unique in that the

filed rates are specified as the "maximum" tariff and then the deviation procedure is set forth. An insurer desiring to write below manual is to file its proposed rate with the bureau on forms furnished by the department and information in justification of such a reduction should accompany the application. Forms are to be completed in quadruplicate, three going to the department. The bureau will make the filing in behalf of the members and subscribers and will advise the insurer of the department's approval.

It is assumed that the bureau rate filings will be effective Sept. 29, and that all policies prior thereto may be rated in accordance to prior procedure; also that new and renewal business written prior to Sept. 29 but effective in October or November may be rated in accordance with prior procedures. New or renewal business effective in December or later must be written in accordance with the new rate rules and rating procedure.

The deviation form asks for the name and address of assured, location of exposures, kind of insurance, manual classification of rates, information in support of request, and inception and expiration date of proposed policies.

Pa. Compensation Fund Adjusters Bonded for \$1,000

HARRISBURG, P. — Adjusters of the Pennsylvania workmen's compensation fund, handling claims and checks, are bonded for \$1,000.

Reason for the relatively small bond, it was indicated, is that the adjusters handle no cash. Currently a number of these adjusters are being investigated in alleged frauds against the system, and so far one former adjuster and an accomplice—not a state employee—have been arrested.

Many thousands of dollars in state funds are believed to be involved in a widespread fraudulent operation under which adjusters allegedly filed fake claims and subsequently forged the payment checks. Some men who have worked for the system 12 to 15 years are reportedly involved in the investigation, which is being carried on by state police on the orders of Gov. Duff.

A number of casualty companies write the bonds for employees of the system, alternating by months in receiving the state business, officials said.

Deny Deposit Box Story

TORONTO — Insurance executives here deny a report in the Toronto "Evening Telegram" that they had stopped covering contents of safety deposit boxes, due to a wave of bank robberies in Canada, or that rates have been increased.

One company man said: "These robberies have really boosted our business. We write plenty of safety deposit box insurance and have not raised the rates. I haven't heard a word about its discontinuance."

Another declared: "We are still writing the insurance; haven't changed our rates and don't intend to."

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Give Program for Joint Casualty Rally Sept. 20-25

NEW YORK—The program has been completed for the first joint convention of National Assn., of Casualty & Surety Agents and International Assn., of Casualty & Surety Underwriters since 1941, at Swampscott, Mass., Sept. 20-25.

The agents Sept. 22 will hold a round-table discussion with President Carl P. Daniel, St. Louis, in the chair. Sept. 23 there will be a joint meeting of both groups with C. B. Morcom, vice-president of Aetna Casualty and president of the company group, presiding. Visiting insurance commissioners will be introduced and Gov. Green of Illinois will give the featured talk.

Another Joint Meeting Sept. 24

Sept. 24 will be another joint meeting. Sept. 25 the two organizations will hold separate meetings. The companies will hear the reports of Secretary C. W. Fairchild of San Diego, formerly general manager of Assn. of Casualty & Surety Companies and F. J. Parry, vice-president of American Surety, auditing committee chairman, and will finish up with resolutions and election.

The agents will hear Secretary C. H. Burras, Chicago; J. E. Hannon, Cleveland, chairman of the auditing committee, and John E. O'Neil, Boston chairman of the executive committee. A general discussion will be followed by resolutions and the election.

The convention will feature recreation—golf, horseshoes, and card parties, with a cocktail party and banquet Wednesday evening.

Burglary Claims Question Shows Companies Differ on Alarm Protected Losses

The question has been asked, "Would the carrier pay the loss if an assured had received credit for a burglary alarm system, and, when the loss occurred, inspection revealed that the alarm system was not working?" Underwriters do not agree on an answer but indicate that their decision would depend on the circumstances of each case.

One group suggested that if the assured was not negligent in maintaining his alarm system, had no knowledge of a defect, or if burglars put the system out of order, the loss would be paid.

Several others said that they felt that the existence of a burglar alarm system was generally an inducement for a company to take a certain risk, and they did not think the company should be responsible if the system was not working.

Change in Risk Section

A third group thinks that the "change in risk" section of the policy should apply. That section says that if assured fails, because of a contingency beyond his control, to maintain a service which he has agreed to maintain, the company's liability regarding loss during such failure shall be limited to the amount of insurance which the insured's premium would have purchased for the actual conditions under which the loss was sustained.

The answers reveal a liberality on the part of the companies, as policies stipulate that the company shall not be liable if the loss occurs when protection specified in the insuring agreement is not maintained.

Insertion of a warranty in the contract stipulating that the company will not be liable if the alarm system is not working when the loss occurs, is a practice followed by some companies as an underwriting safeguard on borderline risks.

Perego Heads Wisconsin State A. & H. Association

MILWAUKEE—Alfred K. Perego, Milwaukee general agent of Wisconsin National Life, has been elected president of the newly organized Wisconsin Assn. of Accident & Health Underwriters. The state organization was formed July 28 at a meeting in Madison of representatives from some 15 cities throughout the state and sponsored by the Milwaukee and Madison locals. At that time O. J. Breidenbaugh, executive secretary of the National association, attended to assist in the work. Charles B. Stumpf, Madison, second vice-president of the National; E. H. Mueller, Milwaukee and Madison, past national president, and Carl A. Ernst, Milwaukee, president and national executive board member, were named as a planning committee.

This committee has now selected the following officers, in addition to President Perego: Secretary, Leo E. Packard, Milwaukee, Loyal Protective Life; treasurer, Clifford C. Raisbeck, Milwaukee, Great Northern Life; regional vice-presidents, Joseph Baer, Wisconsin National Life, Madison; Harry G. Bronson, Paul Revere Life, Wausau; Walter Dopke, North American Life & Casualty, La Crosse; Francis Quade, Paul Revere Life, Eau Claire, and Herbert A. Quist, Business Men's Assurance, Green Bay.

Directors are: Grant Nault, Old Line Life, Fond du Lac; Brace M. Stahl, Great Northern Life, C. B. Stumpf, Illinois Mutual, and Oscar Thoni, Federal Casualty, Madison; C. A. Ernst, North American L. & C., E. G. Malone, Time, E. H. Mueller, Stanley Olyniec, Wash-

ington National, and Harold E. Kasche, Aetna Life, Milwaukee.

The first meeting of the new officers will be held in Madison, Sept. 15, when plans will be made to build a strong state organization.

New Book Treats Safety Control of Auto Fleets

NEW YORK — "Safety Supervision in Motor Vehicle Fleets," a book designed to promote and expedite the teaching of safe operation of motor vehicle fleets, has been published by National Conservation Bureau. This 230-page text was edited by Milton D. Kramer, assistant director of Center for Safety Education at New York University, after 10 specialists in various phases of fleet operation prepared its contents.

It is a comprehensive and practical treatment of activities relating to driver selection, testing, training and supervision. Its publication is an outgrowth of nearly 10 years' experience in training fleet safety supervisors at Center for Safety Education and at other training centers.

The seven main chapters include: Motor vehicle transportation, fleet-supervisor training and safety; content and organization of a fleet safety program; supervision, psychology and improving driver performance; training employees and methods of teaching; driver selection and testing; preventive maintenance, and traffic regulations and driving techniques. Numerous tables and illustrations are included.

Copies may be obtained from National Conservation Bureau, 60 John street, New York, at \$2.25 each, with lower prices for quantity orders.

Ray D. Greaves, Tacoma local agent, has joined George D. Poe Co., as assistant manager of the insurance department under George E. Snuffin.

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ACCIDENT AND HEALTH

Trend Toward Compulsory Disability Laws Reviewed

LOS ANGELES—President Ralph W. Smith of Unity Mutual Life & Accident, speaking before the Los Angeles Accident & Health Underwriters Assn. on "The Trend Toward Compulsory Disability Programs," reviewed the fight to keep the state of California from adopting any kind of socialized compulsory state program of health or disability plan which would constitute competition. He said the battle is over and the other side has won the first round, because there has been enacted a law under which the state is operating as a competitor in the accident and health insurance business. He added that "it is going to require continued vigilance on our part to keep this state program limited to its present coverage."

He also covered the bills in Congress to broaden the social security act and said accident and health interests must continue to fight against programs of this nature, which "encroach on our business."

Mich. Commissioner Gets Blue Cross Classification

LANSING, MICH.—The attorney general's department has advised Commissioner Forbes that he has the power to correct any possible abuses of the "emergency" hospitalization clause in Michigan Hospital Assn. (Blue Cross) contracts. The commissioner said he is contemplating issuing a ruling defining the departmental view of what constitutes an "emergency" under which a subscriber in the Blue Cross plan could be hospitalized in a non-member institution and still receive benefits under his contract.

Many Hospitals Have Withdrawn

The commissioner had asked the attorney general if he had authority to disapprove the sale of a subscriber's certificate containing an emergency benefit provision unless the certificate defined what was actually meant by an emergency, and if his authority was sufficient to disapprove any such definition which would permit a subscriber voluntarily to enter a non-participating

hospital and collect benefits under the emergency clause provision.

Need for a clarification of the situation is seen due to the large number of hospitals which in the last year or two have withdrawn from Blue Cross on the ground the cash return to them was inadequate and Blue Cross patients were paying less than their share of hospital operating costs.

Club to Honor Kemper

The San Francisco Accident & Health Managers Club is holding a special luncheon Sept. 11 to honor George W. Kemper, president Health & Accident Underwriters Conference and manager accident and health department Fireman's Fund Companies. The testimonial is in recognition of his many years of leadership and efforts in behalf of the business. Ray E. Ellis, vice-president Fireman's Fund, will be the speaker and G. V. Chandler, General Accident, club president, will be chairman.

Walters Women's Speaker

The New Jersey Women's Accident & Health Insurance Assn. will have Fred M. Walters, General Accident, Philadelphia, as the speaker at its first fall dinner meeting Sept. 18.

Plans are almost complete for a series of lectures starting Oct. 20 and continuing for six weeks.

Pacific Mutual Up 18%

Pacific Mutual Life gained 18% in paid production in its commercial accident and health department for the first eight months.

Opens Vancouver Office

Loyal Protective Life has opened a western Canadian divisional office at Vancouver, B. C. W. R. Fisher is general agent in charge.

CHANGES

Bailey, Ocean Agency Head, Is Soon Retiring

Charles W. G. Bailey, assistant manager in charge of the agency department of Ocean Accident, and superintendent of agencies of Columbia Casualty, is retiring from active business Sept. 30.

Mr. Bailey has been with these companies since 1915. He advanced through various important positions in the auditing branch before being appointed head of the agency department in 1930. He has continued to function in his present positions since that time.

Pap With Independents

Joe Pap is now connected with the headquarters office of International

Assn. of Independent Insurers. For some time he was in the compensation and liability department of Hartford Accident at Chicago and then more recently was with Keystone Mutual Casualty.

Julian Neal F. & D. Chicago Manager

Fidelity & Deposit announces the advancement of Julian S. Neal, William A. Bowersox and Ronald W. Fuernmann to the respective positions of manager, associate manager and assistant manager at Chicago. In the order named they had previously occupied the positions of associate manager, assistant manager and special agent. The office continues under the active direction of William H. Hansmann, vice-president.

Mr. Neal joined F.&D. in 1930 and has since been continuously connected with its Chicago office. After seven years service as special agent he was appointed assistant manager and in 1942 was made associate manager.

Mr. Bowersox started with F.&D. in 1928 as a member of its accounting department, subsequently working up to the position of traveling auditor. He was transferred to the agency department in 1934 and assigned to Chicago as special agent. He was appointed assistant manager in 1942.

Mr. Fuernmann joined F.&D. at Chicago in a clerical capacity in 1933 and has been associated with that office ever since. He served 14 months in the army.

Hawkeye Casualty Shift

Lloyd Kelley, formerly field representative for southeastern Iowa, has been named field supervisor for Colorado with headquarters at Denver.

Hartford Fire Is Not Going Unshod

Disproving the legend of the shoe-maker's children, Hartford Fire secured a performance bond and a labor and material payment bond, each in the amount of \$1½ million, on behalf of Wadhams & May Co. to cover the construction of the addition to the home office building. These bonds were executed on a 50-50 limited co-surety basis by Aetna Casualty and Travelers Indemnity. At Hartford's request, each co-surety ceded reinsurance in equal parts to Century Indemnity, London & Lancashire Indemnity, and United National to the end that all five Hartford domiciled companies transacting a surety business participated in this business.

The resulting commission was shared by Goodwin & Loomis, who are agents of Hartford Fire, and Allen, Russell & Allen who are general agents of Hartford Accident.

The form of bond required was the dual form promulgated about a year ago especially for private construction.



Our Advertising Man Calls This An EYE CATCHER

... But WE call it an invitation to Producers. For, like the unfortunate with the umbrella, 93.3% of America's home-owners carry no personal liability insurance against ruinous accidents!

Now is the time to prospect this vast, virtually untouched field. For, thanks to a recent insurance article in a national magazine, Americans are catastrophe-conscious as never before. And Manufacturers simplified Five-in-One Comprehensive Personal Liability policy offers them the complete yet economical protection they need and want.

For full details of this fast-selling Package of Protection, we invite you to call, write or visit your nearest Manufacturers office.

MANUFACTURERS

Casualty Insurance Co. • Fire Insurance Co.

1617 Pennsylvania Boulevard

PHILADELPHIA, PA.

W. STANLEY KITE, President



CASUALTY • BONDS • FIRE • MARINE

AMERICAN RE-INSURANCE CO.

Robert C. Ream, President

99 John Street, New York 7, N. Y.

DECEMBER 31st, 1946

CAPITAL	\$ 4,000,000.00
Surplus	8,202,508.93
Voluntary Contingency Reserve	750,000.00
Surplus to Policyholders	\$12,952,508.93
Reserve for Losses	7,320,969.41
All Other Liabilities	6,021,613.24
TOTAL ADMITTED ASSETS	\$26,295,091.58

NOTE: Securities carried at \$650,000.00 in the above statement are deposited as required by law.

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See Congressional Fight Over Truman Health Cover Plea

WASHINGTON — A battle in Congress is expected as a result of President Truman's Labor Day recommendation of broadened social security and "adequate" health insurance. Said the President:

"Our social security system can and must be broadened by extending its benefits to a greater number. Nor can we long delay, without incalculable loss to the nation, the establishment of an adequate system of health insurance."

Harris Now Sales Director for B.A.R.E. of Chicago

George S. Harris, agency supervisor, who has headed General American Life's salary savings department for many years, has resigned to direct sales of both ordinary and group life insurance for Benefit Assn. of Railway Employees, Chicago.

He had been with General American since its organization and prior to that was with Missouri State Life, which he joined in 1932 upon graduation from Northwestern University. Starting as an agency cashier, he soon was assigned to the home office in group and ordinary administration before entering supervisory field work.

Require 20/20 Limits for Conn. Certificated Risks

HARTFORD—The Connecticut state department of motor vehicles has notified insurers that in accordance with 1947 amendments, limits of liability under old as well as new policies written for certificated risks under the automobile financial responsibility law must be \$20/20,000 B.I. and \$1,000 P.D., effective Oct. 1. Presently the limits are \$15/15,000 and \$1,000.

An opinion of the attorney general to this effect has just been handed down.

The motor vehicles department outlines two plans under which insurers may bring their outstanding policies in line.

Under one plan new certificates incorporating the higher limits would be filed for each insured in lieu of the old certificates together with a schedule listing all the assured for whom an insurer has filed.

Under an alternative plan, a blanket certificate could be filed in a form outlined by the department under which the insurer states that for the remainder of their terms, the limits will be construed to have been written for the increased amount.

If an insurer has no financial responsibility certificates on file, it is required to file a certificate to that effect.

The department will be required to suspend or revoke the licenses of certificated risks that are not in conformity with the law on Oct. 1.

Indiana Bureau Expands

INDIANAPOLIS — Application has been made to the Indiana department for a license to operate a rating bureau for independent casualty and inland marine insurers to be known as the Hoosierland Rating Bureau.

George E. Traut, who has been secretary of the rating bureau serving this group of companies for many years says that this bureau has been set up to serve companies writing automobile and all lines of casualty and inland marine insurance as a medium through which they can file their rules and rates. The bureau has been filing automobile rules and rates since 1935.

Organization of the bureau is to be at a meeting Sept. 10. Mr. Traut invites interested companies to write him at 927 K. of P. building, Indianapolis.

Midwestern Independent Statistical Service of Chicago has been formed to

service independent companies and rating bureaus of various midwestern states as a medium through which statistical information will be compiled.

It is the intention of Hoosierland Rating Bureau to make use of those facilities because it believes that the work can be done at less cost to the companies and in a manner which will be entirely satisfactory to them.

A. & C. Managing Director Makes U. S. Visit

Dr. Henry Fehlmann, managing director of Accident & Casualty, is in this country for a month's visit of company branches. He will be accompanied on his tour by Ogden Davidson, U. S. manager, and Paul Thorin, general manager. They will attend a luncheon at the Edgewater Beach Hotel, Chicago, next week. He will return to Switzerland in October.

Schnoll Milwaukee Speaker

MILWAUKEE—At the first fall meeting of the Accident & Health Underwriters of Milwaukee, James Schnoll, Security Mutual Life, spoke on "How Accident and Health Leads to Life Sales." Alfred Perego, Wisconsin National Life, spoke briefly as president of the new Wisconsin state association.

Give Cal. State Program

LOS ANGELES—Tentative program for the 1947 convention of the California Assn. of Accident & Health Managers Clubs here Oct. 24 is announced today by President Walter E. Mast, of Continental Casualty.

There will be a morning session for managers at which time the new officers of the state association will be chosen and, following a luncheon, an afternoon session devoted to field and managerial affairs. The annual dinner will be held at the Biltmore Bowl in the evening.

Petric to Sell Stock

LOS ANGELES—Citizens National Life & Casualty, promoted by Victor F. Petric, has been authorized by Commissioner Downey to sell 20,000 shares of its \$10 par capital stock to Citizens Underwriting Corp. at \$20 per share.

The company has applied for a permit to sell 5,000 additional shares at \$20 per share to net the company \$100,000 additional capital in order to qualify to transact disability insurance.

Mr. Petric also heads a proposed new fire and general casualty company, the name of Citizens General having been approved by the California department.

Multiple Line Action

Stockholders of National Casualty at the annual meeting Sept. 16 will vote on the recommendation of directors that the articles be amended to include the power to write multiple lines, as provided by the Michigan law amendments enacted this year.

Mass. Plate Glass in Mo.

Massachusetts Plate Glass of Boston has entered Missouri and it will be represented at St. Louis by Insurance Agency Company which is designated as state agent. This is the tenth state in which it is licensed. Massachusetts Plate Glass features a three-year term policy.

Assist for New Employees

Recognizing the importance of helping new employees get started on the right foot in their jobs, Employers group is now distributing among newcomers an attractive 24 page employee handbook, "The Company You Keep." Old employees are receiving the booklet for ready reference.

Facts and information about the companies, policies insofar as employment is concerned, what is expected of the employee and what benefits he can expect in return are discussed clearly, in-

formally, and in easy-to-understand language. Illustrated profusely, the booklet is filled with humorous line sketches of Ollie the Owl, which show him taking active part in Employers' group as any employee might.

"The Company You Keep" answers many of the questions uppermost in the minds of new employees, such as hours, salaries, training, clinics, insurance benefits, payday, pension, promotions, retirement plan, vacations, etc. Already it has received the favorable comment of new employees as well as those with years of experience.

Cunningham Claim Head

Fireman's Fund Indemnity and Western National Indemnity have promoted Fred D. Cunningham to manager of the claim division in the western department.

Mr. Cunningham at present is in the eastern department as assistant manager of the liability claim division. He is a native of Indiana.

E. Broox Randall & Sons, well known Hollywood agency, celebrated its 25th anniversary with a banquet for all personnel.



**It's nice to say
"YOU'RE COVERED!"**

Nothing can do more to inspire confidence in your policyholders than the words, "You're covered," or, "We'll pay that claim." That's why American Casualty's **COMPREHENSIVE Personal Liability Policy** is rapidly replacing all other forms of personal liability coverage. **EVERY** liability hazard you can think of is covered automatically, with a few exceptions which may be covered by endorsement. The policy is available in either single or multiple limits. The latter includes automobile coverage and is recommended since it provides the broadest protection obtainable.


American Casualty Company
READING • PENNSYLVANIA
Capital \$2,000,000

1886—OVER A HALF CENTURY OF SERVICE—1947

The North American Accident Insurance Co.

209 So. LaSalle St., Chicago, Illinois

We write every practical form of Life, Accident, Health, Hospitalization and Medical Expense Insurance.

District Managers and Representatives WANTED

Geo. F. Manseimann, President

A GOOD YEAR TO CONNECT WITH A GOOD COMPANY

USE YOUR OWN COMPANIES WHEN POSSIBLE

Otherwise Let Us Help You with Your Unusual
or Difficult Problems—

1889



1947

Lloyd's London

R. B. Jones & Sons Inc.

C. REID CLOON, Manager

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DON'T IGNORE THE LADIES!

Business women... professional women... career girls... factory workers... stenographers... even the most deliberately overlooked members of the fairer sex as far as Income Protection is concerned... the housewives... daily are becoming more persistent in their demand for Sickness and Accident insurance purposely designed to meet their needs and requirements.

You can't afford to be Bashful!

Meet this constantly-increasing demand for adequate Income Protection for business and professional women and housewives with Combined Mutual Casualty Company's complete kit of Sickness and Accident and Hospital Expense policies.

Each Policy Provides Maternity Benefits!

Six Income policies... the Lifetime... the Modern 5 and 5... the Paymaster... the Employees' Non-Occupational... the Civil Employees'... and the Special, (providing up to \$50 a month Income Protection for housewives), as well as the Individual and Family Group Hospital Expense policies... all are especially rated for women... provide maternity benefits... and have been carefully created with a consciousness of the feminine market.

EXCELLENT TERRITORIES
ARE STILL AVAILABLE!

Write today... stating your
qualifications for a "Com-
bined" Agency in your area.



W. Clement Stone, President

SURETY

Bond on Tunnel Project

L. E. Dixon Co., San Gabriel, Cal., and the Arundel Corp., Baltimore, have been awarded the contract by the California-Oregon Power Co., Medford, Ore., for the construction of the Toketee tunnel project near Roseburg, Ore., at their bid of \$1,056,750. Fidelity & Deposit will write the payment and performance bond.

Broaden Another Bond

The Towner Rating Bureau, in addition to forms 224, 5, and 20, which have been broadened to cover the cashing of armed forces leave bonds, has extended the securities bond standard form No. 3, insuring clause C, to do the same thing, without charge. This is the clause that provides protection to banks that guarantee and witness signatures. It previously had been broadened to cover the savings bonds, series A through E. The bond is not widely written now, since most banks have the coverage under the blanket bond.

COMPANIES

Employers of Alabama Is Adding to Resources

Employers of Alabama has taken steps to enlarge its financial structure. The capital was increased by \$50,000 by means of a stock dividend which brought capital account to a total of \$250,000. In 1946 capital was increased from \$100,000 to \$200,000. Subsequently the board voted to increase the authorized capital by \$200,000 and surplus by the same amount, thus producing capital stock and surplus increase of \$400,000.

Employers has decreased its dividends to policyholders on automobile insurance to 10%. President W. H. Hoover stated that these actions were taken "to enable us to better service our rapidly increasing business."

Plans Don't Materialize

Plans have been abandoned for formation of Richmond Mutual at Richmond, Va., Joseph Y. Gayle advises.

ASSOCIATIONS

Spencer and Frazier Talk

LOS ANGELES—The Casualty Insurance Adjusters Assn. of Southern California heard Attorney Vernon Spencer, Ingelwood, Cal., talk on "Early Origin of Law." W. C. Frazier, past president, gave a short talk on the new "Southern California Medical Panel," which contains what is believed to be the most complete list of physicians who include industrial cases in their practice. The new list contains the names of many physicians who have returned from the armed services and have resumed their industrial practice.

N. J. Casualty Luncheon

The Casualty Underwriters Assn. of New Jersey will open its season with a luncheon-meeting at Newark, Sept. 8.

Paramount Hearing Sept. 11

HARRISBURG—A state justice department hearing for Paramount Mutual of Philadelphia has been postponed from Sept. 4 to Sept. 11.

Meantime, a "cease and desist" order from Commissioner Malone halted the transaction of all business, either new or renewal except for the payment of absolutely essential salaries and expenses. Operational rather than financial rea-

sons for the probe of the mutual were cited by the insurance department. The investigation was started after receipt of complaints that Paramount was not promptly paying claims.

Mr. Malone said the company was suspended pending hearing "because of contractual and therefore actual, even though not statutory, insolvency, and because it has been found, after an examination, that the company is in such condition and is being so operated that its further transaction of business will be hazardous to policyholders, creditors and to the public."

Manuel Metnick is said to be the chief financial backer and operator of Paramount.

Reduces Auto Dividends

Pennsylvania Threshermen's & Farmers' Mutual Casualty has reduced dividends on automobile writings to 10% on passenger cars and removed it entirely on buses, taxicabs and long haul risks, effective on all policies expiring on or after Sept. 1. Dividends on these lines were formerly 20% and 15% respectively, except in Tennessee where the dividend on passenger cars was 15%.

Boston Courses Offered

Boston University Evening College of Commerce is offering numerous insurance courses. Commencing Sept. 22, a 15-week course in casualty insurance will be conducted by Warner C. Danforth, superintendent of education of Employers Liability. This will be on Monday evenings. Mr. Danforth will conduct a course on automobile insurance Wednesday evenings commencing Sept. 24, and on fidelity and surety insurance Wednesday evenings, commencing Feb. 4.

Francis X. O'Leary, Employers Liability, will be the instructor in course on fundamentals on fire and inland marine commencing Sept. 23.

Md. W. C. Rates Up 9.2%

Commissioner Hanley of Maryland has approved revised workmen's compensation rates filed by National Council on Compensation Insurance. The rates took effect Sept. 1 and represent an average increase of 9.2%.

Educators to Organize

Company educational men will meet in New York City Sept. 12 and form an association so that there can be a greater dissemination of insurance knowledge. Among the leaders in this enterprise are: M. J. Pierce of Standard Accident, Paul Abbott of Indemnity of North America; Charles Thomas of Liberty Mutual; Louis Kortum of American Surety, and W. C. Danforth of Employers group.

WANT ADS

PHOTOSTAT CAMERAS
AVAILABLE TO YOU ON
A COST PLUS BASIS

Your cost per job is materially reduced to the actual cost of operating this equipment. A big saving is possible if work is given on a contract basis. It will pay you to investigate. Address N-5, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Young man for inside work with some experience in Casualty lines, especially Compensation and Liability. Location in Chicago. Opportunity for broad experience and advancement for alert and diligent man. Address N-19, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Products Field Competitive With New Entrant in Field

Manufacturers & Merchants Indemnity of Cincinnati is becoming increasingly a competitive factor in the products liability field. This company is owned by Kroger Co. Unlike most insurers that are skittish when it comes to products liability for food risks, Manufacturers & Merchants is actively soliciting such accounts. Its main competitive talking points are that its contracts contain no aggregate limit of liability, the coverage extends down through the vendor, that is all the way from the assured to the consumer and there is \$1,000 property damage coverage included.

Manufacturers & Merchants operates exclusively through salaried salesmen and doesn't do business with brokers. It claims now to be the sixth company in volume of products liability premiums and its experience is said to be very favorable, the loss ratio being less than 15%.

Money Gone, Checks Found

WASHINGTON—While Indemnity of North America and the police of Alexandria, Va., have been investigating disappearance of \$26,000 claimed to have been put in the night depository of First National Bank, Alexandria, by employees of a local J. C. Penney store, the bag that had contained the money was found by B. Arrington, Alexandria resident, on a neighbor's roof.

The bag was minus \$17,000 cash, in small denominations, but contained \$9,000 in checks, water-soaked. It was on the roof of a two-story house about two blocks from the bank, where it could have been tossed from the street and could have been seen by passersby.

The missing cash and checks were not found by the bank on opening its night depository the morning after Penney employees claimed to have put it in.

Publication Proves Popular

Some months ago, James R. Graham, manager of the eastern department of U. S. Aviation Underwriters, began to issue a four-page publication dealing with aviation and aviation insurance topics, called "Eastern Skylines." This has proved so popular that each of the other three branches of the group now is issuing a similar publication for its producers and others. On the Pacific Coast it is called "Pacific Skylines," in Atlanta, "Southern Skylines," and out of Chicago, "Western Skylines." Part of the publication now is prepared at

the head office in New York, and the remainder is made up of local news in each area.

Woman Adjuster Is Retiring

Joan Sikes Roberts, claim adjuster for Hartford Accident's Chicago branch, who specialized in handling O. L. & T. and other liability claims, has resigned to be a housewife. Her husband is Stanley J. Roberts, assistant superintendent automobile department, North British & Mercantile, Chicago.

Dallas A. & H. Men Meet

At the August meeting of the Dallas Assn. of Accident & Health Underwriters, J. W. Rader, Reserve Loan Life, spoke.

Porter Bywaters, Employers Casualty, who was elected to the executive board of the National association at the Boston meeting, reported on that meeting.

More C. of C.-A.M.A. Parleys

WASHINGTON—It is understood another conference of U. S. Chamber of Commerce, insurance and American Medical Assn. representatives will be held here in the fall to consider problems of improving the public health in connection with the work of the chamber's health advisory and insurance department.

Carl Jacobs, Hardware Mutual Casualty, chairman of the chamber's insurance committee, and H. E. Hilton, assistant manager of that department, attended a recent conference with A.M.A. representatives at Chicago.

Peter P. Brecker, 75, for 37 years an employe of the Aetna Life companies, died after a long illness. Before joining the companies he was secretary to the chief engineer of the Connecticut river bridge commission. He joined Aetna in 1910 and in 1913 was made secretary to the superintendent of the engineering and inspection department. Since 1936 he had been chief clerk of that department.

Insurance Women of Toledo have elected Lela Boyd, president; Lura Dehn and Irene Mollenberg, vice-presidents; Betty Cramer and Laura Young, cor. secretaries; Kay Harrold, treasurer.

Brokers Ask Single Production Cost Allowance

National Assn. of Insurance Brokers has proposed that certain insurers distinguish between "genuine acquisition commissions and any additional commissions they may wish to pay their agents for services other than actual production of business, and that they pay the same production allowance to brokers and agents alike."

The idea, made public by W. W. Clement, executive vice-president, suggests that companies pay agents what they pay them today, but that "when a company pays for services other than actual production," this should be charged to company expense and not to acquisition cost.

While the brokers would like to see the principle applied to all casualty lines, the group presently is urging its application to general liability insurance and liability cover on automobiles other than public conveyances and long haul trucks. The brokers understand that detailed statistical recommendations, dealing with production cost allowances on these two lines, have been submitted to National Bureau of Casualty Underwriters. The brokers think their suggested system would eliminate certain debatable commission distinctions between brokers and agents, and that commissioners would like it after expiration of the moratorium under public law 15.

George H. Henderson, 43, general manager of Campbell Insurance Agency at Murfreesboro, N. C., died Aug. 31.

Reserve Life of Dallas has been licensed for life and disability business in California. Miss Hester Webb, San Francisco, insurance attorney, is named agent for service.

Abstractor's Liability Insurance

A contract for the protection of responsible members of this profession.

A fine source of income for the enterprising agent or broker.

EVERY Abstractor is constantly exposed to the possibility of a large suit as the result of error or omission. Yet, until recently, there never has been available to the Abstractor a contract designed to guard against the specific risks he faces.

This new contract, pioneered by our organization, is the first of

its kind ever offered to responsible members of the profession. It affords comprehensive coverage at a moderate rate. It offers to agents and brokers an entirely new source of income. Full information will be sent upon request.

Underwritten by
LLOYD'S OF LONDON.

R. N. CRAWFORD & CO., Inc.

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SALES HELPS that really help sell

Planned promotions on every type of casualty insurance makes a well rounded sales program easy for Buckeye Union agents. Personal contacts help build local reputations and up-to-date sales helps get new business. Your inquiry will also receive individual attention.

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GENERAL
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THE BUCKEYE UNION CASUALTY CO.
HOME OFFICE COLUMBUS 16, OHIO
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**Fire, Casualty
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Excess Covers

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INC.**

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Chicago Office
INSURANCE EXCHANGE BUILDING

Hartford Steam Boiler Establishes Houston Unit

Hartford Steam Boiler is establishing a service branch office at Houston in the Milan building.

L. M. LeMeilleur, now in charge at New Orleans, will be manager and M. D. Boney has been named as chief inspector.

Mr. LeMeilleur long represented the company as a special agent in Texas prior to being moved to New Orleans where he became assistant manager and, later, manager. Mr. Boney has been supervising inspector at New Orleans, a position to which he advanced through the various stages of field inspecting.

F. I. Kerr is being appointed manager at New Orleans. He has been a special agent there since 1935, with the exception of two war years spent as an engineering officer in the maritime service.

A. & H. Underwriters to Meet

The home office accident and health underwriters round table of Chicago will hold its first fall dinner meeting at the Bismarck Hotel Sept. 25 at 6 p.m. Don Compton, Combined Mutual Casualty, will be chairman for this meeting. The chairmanship will rotate monthly.

Ala. Has Old Style Law

The Alabama automobile financial responsibility law became effective on the date it was signed by the governor, which was Aug. 6. It is administered by the department of public safety. This is an old type law and applies only to convictions and unsatisfied judgments, and proof of financial responsibility is required only as to future accidents.

Examine Los Angeles Insurers

National Automobile & Casualty of Los Angeles is being examined by California, Indiana and New Mexico, and Pacific Employers by California, Kansas and Michigan.

Fails to Get Mergenthaler Money

NEW YORK — Efforts of Sally Haines, actress friend of Julius Lobel, who is serving 20 to 40 years in Sing Sing for his part in the Mergenthaler Linotype Co. swindle, to recover \$5,400 found in Lobel's safe deposit box were forestalled by Judge Goldstein in Kings county court. The money is in the hands of the police, waiting claim by the Mergenthaler Co. In denying her application for the money, Judge Goldstein commented that "there is only one

conclusion that this court can reach from the testimony on this application and that is that Miss Haines was an accomplice in helping Lobel to secrete his ill gotten gains."

David Beckley, 83, receptionist for the past nine years on the 10th floor executive offices of Marsh & McLennan, died Saturday after a brief illness. He was noted for his courteous and obliging nature and he had an unusual background. He was born of slave parents on Silver Creek plantation, Yazoo City, Miss., and worked in the fields as a youth. At the age of 19 he learned to read and write and he wrote with clarity. At the age of 23 he recalled driving Jefferson Davis from his home Beauvoir to Gulf View hotel at Mississippi City and many times during 1888 took Davis to and fro.

Later Mr. Beckley became a waiter at Laclede's hotel at St. Louis and there met Frank James of the Jesse James gang and other men now of historical interest. He went to Chicago in 1890 and as a waiter in various hotels became known to many notables because of his gracious manner. He became interested in politics and served as sergeant-at-arms at the Republican conventions of 1896, 1900, 1904 and again in 1944.

He was closely attached to Gen. Charles Gates Dawes from 1896 when Dawes was campaign manager for Mark Hanna. He was in the post office department at Chicago from 1897 until 1930 when he retired on pension. In 1933 he served as body guard to Rufus Dawes, who was head of the Chicago world fair. Since 1938 he had been with Marsh & McLennan and during that time was never late and never missed a day despite his years.

PERSONALS

Homer G. Rockwood, vice-president of the United of Chicago, accompanied by E. M. Boock, general manager of United Reserve Agency of Chicago, representing United in its commercial department, visited United and United Reserve agencies in the west and southwest last week conducting 10 agency meetings. They covered 4,500 miles, all by air travel during the past week.

James S. Kemper, chairman of Lumberman's Mutual Casualty, has been elected president of Inter-American Council of Commerce & Production. The council is virtually a federation of 130 commercial, industrial and producer

organizations of the 22 Western Hemisphere countries.

Mr. Kemper was nominated for the presidency by acclamation by delegates at the third plenary meeting of the council at Monevideo.

Nathan Mobley, recently named to the newly created post of executive vice-president of United States Guarantee, is also a director. Mr. Mobley has been a vice-president since 1936.

He entered the insurance business with Fidelity & Deposit at Charlotte in 1923. In 1928 he became production manager of the New York office. A year later he joined U. S. Casualty as head of the fidelity & surety division. In 1934 he was appointed assistant to the president of U. S. Guarantee.

John E. Burke, Indiana special agent of Maryland Casualty for six years, died at his home in Indianapolis after a brief illness. Before that connection he was with the Walls & Walls agency, Bedford, Ind., for many years.

Pa. Group Liberalization

Pennsylvania's recently enacted group insurance liberalization law does not permit schools to combine to obtain group life coverage nor does it add automobile clubs as organizations eligible for group life policies, as stated in a recent issue. The law makes automobile clubs eligible for group coverage, but only accident and health. Combinations of schools are also limited to A. & H. but this has been in the law for some time.

How Flood Insurance Is Provided in Switzerland

(CONTINUED FROM PAGE 14-D)

ing the purpose for which it was originally intended. Comparatively few buildings are exposed to damage by floods and they are not concentrated in any one area of the country. In practice the damage is usually confined to the basement of a house, and, in such a case, the limits are generally adequate to cover the repair cost.

"Property owners who believe that this amount of insurance is not sufficient can buy additional coverage for a premium. Such supplementary insurance

is available for private residences as well as for industrial properties. Among the categories of risks showing the most interest are: Mountain hotels, funiculars, and factories located where floods or landslides occurred previously at more or less frequent intervals.

"The rates for this insurance vary between 2 and 30 per thousand of value of the property. Some unusual risks are subject to special rating. For instance, in the case of the flood hazard the distance between the insured property and the lake or river, and the nature, kind, size and frequency of floods in the past would be taken into consideration. Similar factors would be considered when underwriting the other risks. Excellent historical records are in existence providing complete and accurate information about many of these hazards of nature, so that the risk in a particular location is often measurable. Another factor entering into the rate determination is the existence, in the more populated areas, of emergency groups organized to reduce the ultimate damage by taking preventive measures when a disaster is impending.

"The greatest part of the damage each year is done by floods, while avalanches and landslides are only minor causes. However, we do not experience floods such as occur in America where large areas of the land are inundated. Further, the damages suffered from all these causes are small compared to the total fire losses. They amount to only a few percent of the fire losses.

"The premium for this additional insurance has been ample in the past, so this kind of risk has not been avoided by the fire companies. However, the coverage is granted only in connection with fire coverage and usually for the same amount of insured value. A pool which had been organized by the companies in order to spread the risk was dissolved some time ago after experience had shown that such particular precautions were hardly warranted. We believe no special reinsurance arrangements are made, the reinsurers treating this kind of risk the same as an ordinary fire risk.

"Thus it has been found that the limited coverage provided under the fire policy without additional charge is sufficient for the vast majority of property owners (damages to fields, forests, orchards, etc., are not covered, being excluded from the ordinary fire policy) and that supplemental coverage required by factories, etc., having an unusual exposure can be satisfactorily provided under a special rating procedure.

Commission Question Is Coming Strongly To Fore

(CONTINUED FROM PAGE 1)

sions it is not realistic to expect that the companies as a whole would be willing at one swoop to reduce all their agents to 20% on everything.

However, it is foreseeable, that the companies will tackle individual commission situations here and there. The action of a number of important companies in reducing extended coverage commissions in Texas to 20% is perhaps a straw in the wind. The expected city situation is getting a lot of attention and is being discussed very seriously. It is said that here and there commissioners have already balked at allowing fire insurance rate increases on the ground that too much of the premium dollar is going for acquisition expenses in excepted cities.

Automobile commissions are also getting much attention in company circles. Here there is some discussion of reducing commissions to 20% on ordinary territory and also making a reduction in the excepted cities where the scale is presently 35%.

Another commission question that is getting attention is that of contingent commissions. Here there is considerable sentiment in favor of putting the formula on a strict earned premium basis and making an increase in the allowance for home office expenses to an adequate level instead of using the 7 1/2% factor.



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INSURANCE NEWS BY SECTIONS

MIDDLE WEST

Mich. Agents Institute Is Success in Second Year

LANSING, MICH.—A recapitulation of results of the recent insurance institute conducted at the Clear Lake camp of the Kellogg Foundation near Hastings, reveals that only eight license applicants failed of 53 who took the state qualifying examination after taking the institute's course for beginners in the agency field. The institute was sponsored by the Michigan Assn. of Insurance Agents. It was the second year the institution was conducted at the camp. Waldo O. Hildebrand, secretary-manager state association, said the department's licensing division showed eight others taking the test had only fair grades but all the remainder had good grades. Ray Des Autells, head of the licensing division, supervised the examination at the camp for institute students who wished to qualify immediately for a property agent's license.

Mr. Hildebrand had offered prizes for the best examination papers. The \$5 top prize went to Charles W. Doyle, Lewiston, who scored 93% on examination, second and third prizes of \$2.50 each went, respectively, to J. E. Phillips, Flint, 92+%, and E. J. McCarthy, Detroit, 92%.

The Michigan association, will be forced to obtain a new location for its 1948 training institute inasmuch as the Kellogg Foundation is to turn the camp over to Battle Creek area schools for educational and recreational purposes.

Mich. Rules on Premium Tax

LANSING, MICH.—An enactment of the 1947 Michigan legislature bringing under the premium tax provisions of the insurance code the premiums collected by cooperative and assessment carriers, is effective only for that portion of the current calendar year from June 12 on, according to an opinion furnished Commissioner Forbes of Michigan by the attorney general's office.

The commissioner said the change in the tax law applies chiefly to Mutual Benefit Health & Accident, whose premiums heretofore have been exempt from tax due to an oversight in framing the language of the premium tax statute. On the basis of that carrier's 1946 business, the commissioner said, the tax should yield the state from \$30,000 to \$60,000 in the last half of 1947.

The commissioner had asked if it was permissible to collect premium taxes from the beginning of the tax year, Jan. 1, but it was declared the statute was not retroactive.

Pierce Starts Third Term

Larry Pierce, manager of the insurance department of Merchants Trust Co., has been reelected for his third term as president of the Muncie (Ind.) Insurance Board.

St. Louis Course Starts Oct. 6

ST. LOUIS—The Insurance Board opens its 1947-48 series of insurance classes the evening of Oct. 6, with the first of four two-hour sessions on Missouri insurance laws, with Julian C. Jaekel, associated with law firm of Moser, Marsalek, Dearing & Carpenter, as the lecturer. The class will be limited to 50 students.

Form New K. C. Agency

The local agency of Harvey Brock & John Truog, Inc., has been formed with headquarters in the B.M.A. building, Kansas City.

Mr. Brock is president and treasurer. He was formerly connected with Bruce

Dodson & Co. 26 years serving in various capacities from claims attorney to the general management of both fire and casualty companies.

Mr. Truog is vice-president and secretary of the agency. He was with Bruce Dodson & Co. seven years as salesman and underwriter of both fire and casualty lines.

Gov. Green to Speak

More than 400 insurance men representing all branches of the industry are expected to attend the annual meeting of the Insurance Federation of Minnesota at St. Paul Sept. 8. There will be a brief morning business session at which officers will be elected and then a luncheon with an address by Gov. Green of Illinois. Paul Clement, secretary-general manager Minnesota Commercial Men's of Minneapolis, is arrangements chairman.

SOUTH

Dallas Agents, Flooded With Water Damage Claims, Are Somewhat Disgruntled

DALLAS—Labor Day was just another 10 to 12 hour working day for many Dallas local agents who still are buried under calls from assured who suffered water damage during the nine-inch rain which fell in Dallas territory in a 4-hour period, Aug. 26 and 27. Investigation shows few of these losses covered as many were due to the effects of wind-driven rain. Most of the valid claims for building damage are less than \$100 and if the policy was written since Aug. 31, 1946, the mandatory deductible eliminates liability.

"Very few of the many hundreds of reported claims will ever reach the companies' offices as the local agent finds himself in the adjuster's role; all the work falls on him as he must explain the wind-driven rain clause and the deductible and still try to keep the assured happy," President Geo. F. Cox of the Dallas Insurance Agents Assn. stated. "That's why most of the local agents in Dallas worked all day Labor Day while our company offices, almost without exception, were closed."

"Most of the few valid claims resulting from the deluge are under inland marine and personal property floaters, not under the windstorm and extended coverage policies."

Va. Group Studies Form

Headed by Edmund T. DeJarnette, Richmond local agents and a past president of the Virginia Assn. of Insurance Agents, a special committee of the Virginia advisory legislative council is slated to meet in Richmond Sept. 15 to study insurance laws with a view of having a simplified standard form of fire contract adopted and made applicable to risks in Virginia as required by a joint resolution adopted by the legislature last year. Vice-chairman of the committee is J. Gordon Bohannon, Petersburg, counsel for the Virginia rating bureau. Another member of the committee is T. W. Kelley, Richmond agent, past president Virginia association.

Plan Constitution Change

NASHVILLE — Notices are being mailed this week to all members of the Tennessee Assn. of Insurance Agents proposing a change in the constitution providing for three regional vice-presidents instead of one as at present. The proposal will be voted upon at the annual meeting in Knoxville Oct. 30.

EAST

C. F. Luce, Jr., to Atlanta

Cortlandt F. Luce, Jr., who for the past eight years has been special agent for Aetna Fire in Maryland, Virginia and West Virginia for marine and inland marine lines, has been appointed successor to A. M. Wood, special agent, in Georgia and South Carolina to service marine business. Mr. Luce, whose headquarters have been in the Philadelphia office, will be located in the Trust Company of Georgia building, Atlanta, September 1.

Mr. Luce has been with Aetna since 1929 when he was employed as a clerk in the home office marine department. Ten years later he was assigned to field work and moved to Philadelphia. He attended Amherst.

Insurance Square Club Meet

The Insurance Square Club of New Jersey will hold its first fall meeting at Newark, Sept. 8, when plans will be outlined for the season.

Maine Plans Are Changed

The convention of Maine Assn. of Insurance Agents has had to be shifted to Rangeley-Sheraton hotel, Rangeley Lakes, Me. The dates remain Sept. 11-12. The meeting was to be held at Belgrade Lakes, but hotel accommodations were unexpectedly cancelled.

The program starts off at a morning session Sept. 11. The principal speaker will be Laurence Ackerman, dean of the school of business administration of the University of Connecticut.

The morning sessions will be devoted

to discussion periods and speakers. The banquet is Sept. 11.

Arson Bureau in W. Va.

CHARLES TOWN, W. VA.—Plans for the creation of a new state arson department and fire prevention bureau were outlined at the West Virginia Firemen's Assn. convention here.

Fire Marshal Kidd said the arson department will be headed by C. F. Robb, former state police ballistics expert. President Dana C. Thum of the Southern Fire Fighters Assn. is chief of the fire prevention bureau, which started operation Sept. 1.

COAST

Curbs on Aircraft Cover Are Eased

Restrictions on placing aircraft insurance in unauthorized carriers have been relaxed under a new ruling issued by Commissioner Sullivan of Washington. In a directive to the Surplus Line Assn. of Washington, he said the stamping bureau is to examine filings "without applying the customary rate test."

The department said it has been making an examination of the market situation as respects aircraft insurance and has decided "a new approach, at least for the present, is necessary in dealing with aircraft risks."

Previously, he said, the bureau had been instructed to apply the general test of admissibility in passing upon aircraft submissions, but the department pointed out that it "is becoming



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increasingly difficult to administer full surplus line regulations over aircraft insurance."

Facilities of admitted companies appear to have become restricted, largely because of adverse experience, "to the extent that a free, competitive market for aircraft insurance no longer exists." The directive also stated that under the new code aircraft rates of admitted companies need not be filed and, therefore are only advisory.

"It seems to us, therefore, that it would be improper to attempt to establish the rates of admitted companies as one of the tests of admissibility of a surplus line risk since underwriting discretion should be permitted to the admitted and non-admitted underwriters alike in order to make available free competition in the existing market."

Perfect New Setups After Split

SAN FRANCISCO—The splitup of the old joint Pacific department office of Providence Washington, National Union

and Boston here has about been completed as far as the selection of managers and locations is concerned.

Charles E. Currey, who has managed the joint office, remains as Pacific Coast manager of Providence Washington at the present address, 340 Pine street.

Hugh S. Coburn, assistant manager of Home, and president of Fire Underwriters Assn. of the Pacific, becomes manager for Boston with headquarters at 332 Pine street.

William M. Sidebotham, agency superintendent for St. Paul F. & M. becomes manager for National Union with offices in the American International Underwriters building, 206 Sansome street.

Two Big Insurance Firms Named as Co-Brokers on Tacoma Narrows Bridge

Marsh & McLennan and Johnson & Higgins, through their Seattle offices, have been called in by the Washington toll bridge authority to assist Rogan Jones of Bellingham as co-brokers on the proposed Tacoma Narrows bridge. Jones, who formerly was director of the

department of finance, budget and business for the state of Washington, resigned some time ago and since has been serving as broker for the authority. It was generally known he was having difficulty in securing commitments to place the builder's risk cover on the proposed bridge, and this was holding up the call for bids.

Jones was reported as having lined up slightly over \$4 million of builder's risk cover whereas it is estimated \$10 million will be required. Call for bids recently was issued by the authority, the opening to be Oct. 15.

The bridge will be of four-lane suspension type with a 2,800-foot central span and two side spans of 1,100 feet supported by two piers.

Rating Bureau Withdraws Contested Restrictions

The Washington Surveying & Rating Bureau has issued a circular rescinding rules setting up underwriting restrictions and requirements to which agents and brokers have objected ever since they were put in effect in January. The changes simplify writing unprotected dwellings and farm risks and relieve the producer from considerable detail concerning the status of the risk with respect to encumbrances.

It is no longer necessary under the unprotected dwelling "other insurance limitation clause" to fill in the blanks stipulating total amount of insurance carried on various items. If the agent is of the opinion that no additional insurance is warranted, an appropriate wording prohibiting other insurance is permitted; or the form may be amended to grant permission to carry maximum amounts on the various items.

With respect to the farm form (211-W) the agent is relieved of necessity of inquiring as to amount of encumbrances on contents and where payments thereon are delinquent. The form develops only information whether the building is mortgaged, and the name and address of mortgagee. Contract of sale clause form (137) must be attached on risks subject to such sale.

It still is necessary for the agent to explain whether the property is in litigation or if a fire policy has been canceled within the past five-year period for other than non-payment reasons.

Warfield Guest at Luncheon in Los Angeles

LOS ANGELES—President Guy T. Warfield, Jr., of N.A.I.A. was guest here at an informal luncheon tendered him by representatives of local, state and national agents' organizations.

Past President W. H. Menn of both the Los Angeles association and N.A.I.A., presided. W. P. Welsh, Pasadena, vice-president N.A.I.A. and Past Presidents Ralph Bach, San Diego; Don Goldsmith, San Diego; Eugene Battles, Los Angeles, and Harry Perk, Jr., Los Angeles, who also served with Mr. Warfield on the executive committee of N.A.I.A., greeted the guest.

There was discussion of application of the various rate regulatory laws passed by the different states, with particular attention to the new California statute, which differs greatly from acts passed by other legislatures.

New Setup at Yakima

Norgard-Latta Insurance Agency, Inc., is the new corporation succeeding Wm. B. Auda, Inc., Yakima, Wash., this week. F. W. Norgard and Lynn M. Latta are the principals. Mr. Latta joined the agency recently after resigning as San Francisco manager for Travelers Fire. Also associated in the agency are Miss Erma L. Dyer, Meade G. Elliott and Jos. E. Larson.

Thos. K. Joy Makes Change

Thos. K. Joy has resigned as claims supervisor for the Barr Adjustment Co., at San Bernardino, Cal., to accept a position which will be announced in the near future.

Open Oakland Office

Atlantic Mutual and Centennial have established a service office at Oakland. James G. Clover, former northern California special agent of Pacific National Fire, is special agent in charge.

Burbank (Cal.) Assn. of Insurance Agents has elected as president, C. L. Skeen; vice-president, Ed Radcliffe; secretary, Ted Ralston; treasurer, Harry Kanthack.

CANADIAN

Responsibility Laws Help Curb Accidents, Ham Says.

MONTREAL—While the cost of fire insurance has shown a steady decrease in Canada for years, the price of automobile insurance has been ascending steadily and no relief can be expected until automobile drivers throughout Canada realize that it is the accident in which they are involved that determines the rates they pay for coverage. A. Leslie Ham, Montreal, manager of Canadian Underwriters Assn., told the Montreal Rotary Club.

He declared that a reduction of accidents cannot be achieved "except by legislation, the effective control of motor drivers through rescinding of their licenses and the impounding of their cars for cause."

Some progress has been made, insofar as legislative control is concerned, through the operation of financial responsibility laws in most provinces. He singled out Manitoba as a province where the new law is bringing desirable results. In Quebec, however, which has the worst accident record in the country, there is no such law in operation. The reason why the Montreal insurance rate is double Toronto's is the province's bad accident record.

To Consolidate Management

A. H. P. Priddey, manager for London & Scottish Assurance and Scottish Metropolitan in Canada, has retired. It is planned to merge control with the parent company in Canada, Northern Assurance, under Alex Hurry, manager for Canada.

Hail Loss Ratio Higher

TORONTO—Preliminary and unofficial estimates are that hail writers in Canada will have a far less satisfactory experience in Canada than in the past two years. The loss ratio last year was 24.67 against 30.88 in 1945 and 89 in 1944 and 1943.

While loss ratios apparently will not be anywhere near as bad as in 1943 and 1944, there is some reason to believe that the general average may be around 50% this year.

Alberta Hail Loss Heavy

CALGARY, ALTA.—This year is the worst in a decade so far as hail damage to Alberta crops is concerned, according to officials of the Alberta wheat pool. Total crop damage to date is placed at \$20 million. However, only \$1 million to \$2 million will be paid in claims. It is estimated that 25% of the farmers carried enough insurance to cover the cost of labor, seed and other crop expenses.

Saskatchewan also has had its share of hail storms but adjusters report that while damage was widespread, hail losses on crops have not been great.

New Association Formed

The Huron County Insurance Agents Assn. has been formed to take in Goderich, Wingham and other Ontario towns. President is W. H. Hodgson, Exeter; vice-president, H. M. Ford, Goderich; secretary, J. P. Bowey, Exeter.

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The following titles of a few chapters in "Take A Tip" give some idea of the contents: SELL THE BELLWETHER FIRST — DON'T SELL YOURSELF OUT OF A JOB — A LOT OF BUNK HAS BEEN WRITTEN ON THE SUBJECT OF SALESMANSHIP — KEEP YOUR EYES OPEN WHILE YOU'RE ON YOUR PROSPECT'S PREMISES, etc., etc.

The book contains 164 pages and is bound in red cloth. It may be read profitably by everyone who is interested in any phase of insurance selling.

Prices are as follows: 1 copy, \$2.50; 6 copies, \$2.30 each; 12 copies, \$2.25 each; 25 copies, \$2.10 each; and 50 copies, \$2.00 each; plus postage.

ENDORSEMENTS

My wife and I just finished reading Take A Tip. It is so good we are anxious to tell you it was not only a pleasure to read but very profitable in ideas as well.

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I have just finished reading Practical Fire & Casualty Insurance and found it one of the finest books on insurance I have ever read.

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NON-RESIDENT AGENCY AND BROKERAGE LAWS

The laws of all states relating to the handling of insurance by non-residents vary greatly. This 50-page book, "Non-Resident Agency and Brokerage Laws", is a concise summary of the statutory provisions of each state for licensing, countersignatures and commission requirements.

All the information relating to a state is on one page. The book explains under a uniform question and answer plan the provisions of the laws of the state: WHETHER A NON-RESIDENT MUST BE LICENSED AND, IF SO, HIS DESIGNATION • TERM OF LICENSE AND EXPIRATION DATE • FEE • PROCEDURE TO OBTAIN LICENSE • LIMITATIONS ON NON-RESIDENT TYPES OF INSURANCE TO WHICH LAW APPLIES • COUNTERSIGNATURE REQUIREMENTS, INCLUDING SUCH POINTS AS WHETHER AN INSURANCE COMPANY EMPLOYEE MAY COUNTERSIGN • RESTRICTIONS, IF ANY, ON NON-RESIDENT'S PARTICIPATION IN COMMISSION • RETALIATORY AND RECIPROCAL PROVISIONS • LICENSED RATING BUREAUS.

Statutory references give specific provisions of each state statute.

Prices are as follows: 1 copy, \$1.50; 5 copies, \$1.40 each; 10 copies, \$1.35 each; 25 copies, \$1.30 each; 50 copies, \$1.25 each; 100 copies, \$1.20 each; plus postage.

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This book is a simple account of the essential facts, that everyone needs, to master certain fundamentals about fire and casualty coverages.

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"Practical Fire and Casualty Insurance" has 290 pages. Subjects treated in the ten chapters are: PRINCIPLES OF INSURANCE—ORGANIZATION OF INSURANCE BUSINESS—THE STANDARD FIRE CONTRACT—EXTENDED COVER AND COLLATERAL FIRE LINES—CONSEQUENTIAL LOSS—INLAND MARINE—GENERAL LIABILITY AND WORKMEN'S COMPENSATION—AUTOMOBILE—MISCELLANEOUS CASUALTY LINES—SURETY BONDS.

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"The Coinsurance requirement is presently loaded with dynamite for many Insured. It is your duty to bring home to them the meaning of this clause and its implications with as much emphasis as you can.

"Producers can render a real service by bringing this problem to the attention of their Insured on every possible occasion."

We cannot help but concur in the opinion that Insured should be acquainted with "the meaning of the Coinsurance Clause and its implications." Company loss reports today show considerable under-insurance, with resultant application of the Coinsurance Clause in cases similar to those quoted herewith.

Our "Coinsurance Clause Explained" folder is acknowledged by authorities to be the best explanation of its kind. Write our Advertising Department for a supply for distribution to your Insured.

READ 'em and WEEP

A building was insured for \$2,000 with one agent for 27 years. During this time hardwood floors were put down, a new central heating plant installed, and a new store front built. The value of the building rose to \$12,000. A fire brought an \$1,800 loss. The Insured, who thought he was fully covered for this amount, recovered \$450. Soon after he bought \$9,600 worth of insurance with another agent.

A factory suffered damage of \$88,900. It was insured for and recovered \$12,161. The amount underinsured was \$76,739.

A fire in a home caused \$18,260 damage. Insurance covered only \$12,500. The owner lost \$5,760.

A school, damaged to the amount of \$47,012, was insured for and collected \$38,000, and paid \$9,012 of the loss itself.

A fire ate away \$6,273 worth of a mill which was covered for \$4,356 of the loss and had to absorb a deficit of \$1,917.

A foundry lost \$45,410 by fire but was covered for and collected only \$40,002 insurance, paying \$5,408 of the bill itself.

A fire loss of \$3,539 was incurred by a Y.M.C.A. Because of a shortage of insurance, the Y.M.C.A. stood \$1,092 of the loss, having been reimbursed \$2,447.

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